

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF IOWA  
CENTRAL DIVISION

- - - - -X  
UNITED STATES OF AMERICA, :  
 :  
Plaintiff, : Criminal No. 4:15-103  
 :  
vs. :  
 :  
JESSE R. BENTON and : TRANSCRIPT OF TRIAL  
DIMITRIOS N. KESARI, : VOLUME II  
 :  
Defendants. :  
- - - - -X

Second Floor Courtroom  
United States Courthouse  
123 East Walnut Street  
Des Moines, Iowa 50309  
Wednesday, October 14, 2015  
8:30 a.m.

BEFORE: THE HONORABLE JOHN A. JARVEY, Chief Judge, and a Jury.

Terri L. Martin, CSR, RPR, CRR  
United States Court Reporter  
Room 189, U.S. Courthouse  
123 East Walnut Street  
Des Moines, Iowa 50309

APPEARANCES:

For the Plaintiff:

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For Defendant Benton:

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For Defendant Kesari:

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Harvey & Binnall  
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Alexandria, Virginia 22314

## I N D E X

<u>WITNESSES:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
<u>For the Government:</u>				
Fernando Cortez-Lira (Resumed)	107 Pilger	143 Howard 159 Binnall	185 Pilger	196 Howard
Karen LoStracco (Resumed)	198 Kravis 329			
Lori Pyeatt	285 Pilger	301 Sinfelt 303 Binnall		
Ron Paul	309 Kravis	320 Howard 326 Binnall	328 Kravis	
<u>For the Defendant Benton:</u>				
Deana Watts	305 Sinfelt	307 Binnall 308 Pilger		

## E X H I B I T S

GOVERNMENT'S EXHIBIT NUMBERS:OFFEREDRECEIVED

4 -	330	331
5 -	332	332
6 -	333	334
11 -	335	335
14 -	337	337
16 -	338	338
17 -	340	340
18 -	342	343
19 -	344	345
20 -	346	347
21 -	348	348
24 -	350	350
25 -	352	352
26 -	353	354
27 -	355	356
28 -	358	358
29 -	359	360
30 -	361	362
49 -	264	265
50 -	267	267
61 -	133	134
62 -	141	141
63 -	262	263
64 -	269	270
65 -	272	273
67 -	275	275
68 -	213	214
69 -	215	215
70 -	220	220
71 -	225	225
74 -	206	207
75 -	208	209
78 -	224	224
79 -	226	226
80 -	228	228
81 -	230	230
82 -	232	233
83 -	235	235
86 -	238	238
87a -	240	240
87b -	210	211
87c -	212	241
89 -	109	109
90 -	247	248
92 -	249	249
93 -	113	113

<u>GOVERNMENT EXHIBIT NUMBERS:</u>	<u>(Continued)</u>	<u>OFFERED</u>	<u>RECEIVED</u>
95 -		115	115
97 -		252	252
98 -		121	122
100 -		125	125
101 -		255	255
102 -		257	257
103 -		258	259
104 -		127	127
143 through 148 -			293
153 -		278	278
159 -		261	262

1 P R O C E E D I N G S

2 (In open court, out of the presence of the jury.)

3 THE COURT: Be seated.

4 Thank you.

5 There was one matter that you wanted to take up this  
6 morning. It has to do with the notes concerning Mr. Benton's  
7 proffer. What do you say about that?

8 MS. SINFELT: Your Honor, we would like to hand up a  
9 case, Vitek Systems versus Abbott Laboratories from the Eighth  
10 Circuit that says that's not allowed in the Eighth Circuit.

11 THE COURT: What's the site on that?

12 MS. SINFELT: It would be 675 F.2d 190. The pin cite  
13 I believe is 194.

14 THE COURT: So, conceptually, how is it different than  
15 if it was recorded by video recording or audio recording?

16 MS. SINFELT: Because it's not an actual verbatim  
17 transcript, Your Honor. It would be the impressions of the  
18 witness and her descriptions of what was going on and her  
19 impressions, and it was selective based on what she chose to  
20 write down.

21 THE COURT: Okay. I'll take a look at that case.

22 Anything else you want to discuss this morning before  
23 we start?

24 MR. BINNALL: Your Honor, Mr. Kesari also has a  
25 position on this as well, and that is because that some of the

1 items in the proffer concern Mr. Kesari and to allow that to  
2 come into this case, even if there's a limiting instruction that  
3 it can't be considered against Mr. Kesari, which, of course, we  
4 would ask for, would most certainly violate Mr. Kesari's --  
5 first of all, it would be hearsay as to him still. Second of  
6 all, it would violate his rights of the confrontation clause  
7 because this was a proffer session. This is not something that  
8 Mr. Kesari had the right to attend. This isn't a -- he had no  
9 opportunity to cross-examine the witnesses and, more important,  
10 perhaps most importantly here, this is going to be so  
11 prejudicial as to the things that were said there in those notes  
12 that it is unfair prejudice and it substantially outweighs any  
13 probative value that comes from that.

14           So as to Mr. Kesari, even with the limiting  
15 instruction, we would object to those notes coming in at all.

16           THE COURT: Are there Bruton problems associated with  
17 this?

18           MR. KRAVIS: No, Your Honor. The note issue is the  
19 hearsay within hearsay exception. Obviously, anything in the  
20 notes that Mr. Benton said are themselves admissible at the  
21 trial. There's nothing that we would introduce in the notes  
22 that mentions Mr. Kesari and, of course, this evidence would  
23 only be used against Mr. Benton and we would not oppose any  
24 limiting instruction that the jury is not to consider it with  
25 respect to Mr. Kesari.

1 THE COURT: Okay. I'll take a look at that.

2 Anything else before we begin?

3 All right. Thank you.

4 (Recess at 8:35 a.m., until 9:00 a.m.)

5 (In open court, in the presence of the jury.)

6 THE COURT: Please be seated.

7 Members of the jury, good morning.

8 We're continuing on in the matter of the United States  
9 versus Jesse Benton and Dimitri Kesari. You remember Mr. Cortes  
10 was on direct examination as we left yesterday. We'll continue  
11 with that.

12 Mr. Pilger, go ahead.

13 MR. PILGER: May it please the court.

14 FERNANDO CORTEZ-LIRA,

15 resumed his testimony as follows:

16 DIRECT EXAMINATION (Continued)

17 BY MR. PILGER:

18 Q. Good morning, Mr. Cortes.

19 A. Good morning.

20 Q. You're still under oath; you understand that?

21 A. Yes.

22 Q. So we left off having talked about what's in evidence as  
23 Government's Exhibit 88, and Government's Exhibit 88 is an  
24 e-mail from Dimitri Kesari to yourself, correct?

25 A. Correct.

1 Q. And it attaches an e-mail from sonnyizon@aol.com to Dimitri  
2 Kesari, correct?

3 A. Correct.

4 Q. And just before we leave this page, what was the body of the  
5 message from Dimitri Kesari to yourself?

6 A. "Approved by Jesse."

7 Q. And then there is an invoice attached to that e-mail,  
8 correct?

9 A. Correct.

10 Q. And the invoice has an invoice number; is that right?

11 A. Correct.

12 Q. And read that off for the jury, would you, please.

13 A. It was No. 20120428.

14 Q. Thank you.

15 MR. PILGER: Ms. Archer, this is not in evidence yet.

16 BY MR. PILGER:

17 Q. Now, Mr. Cortes, if you would look at the monitor, you can  
18 see another e-mail chain that you've previously reviewed,  
19 correct?

20 A. Yes.

21 Q. Is that large enough for you to see?

22 A. Yes.

23 Q. Now, is this an e-mail chain involving yourself; your  
24 assistant, Katie Koerber; Dimitri Kesari and --

25 A. Yes.

1 Q. And that's it, right?

2 A. I believe there's also another e-mail under  
3 sonnyizon@aol.com.

4 Q. Yes, as the attachment, that's right.

5 So those e-mail addresses are involved, correct?

6 A. Yes.

7 Q. And does this involve an invoice?

8 A. Yes.

9 Q. And does that invoice concern the April 2012 time period?

10 A. Yes.

11 MR. PILGER: Your Honor, the government offers Exhibit  
12 89 into evidence.

13 (Government Exhibit 89 was  
14 offered in evidence.)

15 MR. HOWARD: Can you give me a minute, Your Honor?

16 MS. SINFELT: Your Honor, Mr. Benton has a hearsay  
17 objection just to the top portion of this, the April e-mail to  
18 Dimitri Kesari from Fernando Cortes.

19 MR. BINNALL: And Mr. Kesari has an objection as to  
20 hearsay as to the e-mail message from Mr. Izon, the second  
21 e-mail there.

22 THE COURT: Overruled. 89 is received.

23 (Government Exhibit 89 was  
24 received in evidence.)

25 BY MR. PILGER:

1 Q. So, Mr. Cortes, starting at the bottom, there's an e-mail  
2 from yourself on May 2nd at 2012, correct?

3 A. Correct.

4 Q. And who was that e-mail to?

5 A. It is to Katie Koerber.

6 Q. Remind the jury who Katie Koerber is.

7 A. Katie Koerber is my assistant.

8 Q. And in this e-mail what do you say to Ms. Koerber?

9 A. "Please prepare for wire."

10 Q. And on this e-mail chain, this is actually the last  
11 e-mail -- this e-mail reads from the top to the bottom, correct?

12 A. I'm sorry, can you repeat that?

13 Q. So if you look at the whole e-mail, whereas the e-mails  
14 we've read previously they go from the bottom up, this one goes  
15 from the top down; is that accurate?

16 A. Yes.

17 Q. So the last thing that happened in this e-mail chain in this  
18 exhibit is you asked Ms. Koerber to do what?

19 A. I asked her to prepare for wire.

20 Q. Prior to you asking Ms. Koerber to prepare for wire, what  
21 happened? Did someone e-mail you?

22 A. Yes.

23 Q. Who e-mailed you?

24 A. Dimitri Kesari.

25 Q. When did he e-mail you?

1 A. It says Wednesday, May 2, 2012, 10:38 a.m.

2 Q. And that's to you at your Ron Paul e-mail address, right?

3 A. Correct.

4 Q. And the body says what?

5 A. "Approved by Jesse."

6 Q. And, again, just remind the jury, who do you understand  
7 Jesse to be?

8 A. Jesse Benton.

9 Q. Attached to that e-mail was an invoice, correct?

10 A. Correct.

11 Q. Is that the e-mail? I'm sorry, is that the attachment to  
12 the e-mail?

13 A. Yes, sir.

14 Q. And is that an invoice?

15 A. Yes.

16 Q. Who is the invoice from?

17 A. Interactive Communication Technology, Inc.

18 Q. And who is being billed by Interactive Communication  
19 Technology, Inc.?

20 A. Ron Paul PPC, Inc., attention: Dimitri Kesari.

21 Q. Attention?

22 A. Attention: Dimitri Kesari.

23 Q. And what quantity of items are being billed?

24 A. One.

25 Q. And what is the description of that item?

1 A. Production services, April.

2 Q. And what is the cost of that item?

3 A. \$8,850.

4 Q. And what is the total being billed on this invoice?

5 A. \$8,850.

6 Q. Now, showing you the invoice that was attached to  
7 Government's Exhibit 88 and the invoice attached to Government's  
8 Exhibit 89 at the same time overlapping.

9 First showing you the invoice attached to Government's  
10 Exhibit 88, then showing you the invoice attached to  
11 Government's Exhibit 89, is the invoice number the same?

12 A. Yes.

13 MR. PILGER: Ms. Archer, this is not in evidence yet.

14 BY MR. PILGER:

15 Q. Mr. Cortes, showing you what's been marked for  
16 identification as Government's Exhibit 93 and has been provided  
17 to the defense, is this an e-mail involving Dimitri Kesari and  
18 yourself?

19 A. Yes.

20 Q. Is it from the time of May of 2012?

21 A. Yes.

22 Q. Does it involve an invoice?

23 A. Yes.

24 Q. Does it have an attached invoice?

25 A. Yes.

1 MR. PILGER: Your Honor, the government offers Exhibit  
2 93 into evidence.

3 (Government Exhibit 93 was  
4 offered in evidence.)

5 MR. HOWARD: No objection.

6 MR. BINNALL: No objection.

7 THE COURT: 93 is received.

8 (Government Exhibit 93 was  
9 received in evidence.)

10 BY MR. PILGER:

11 Q. So, Mr. Cortes, who is this e-mail from?

12 A. Dimitri Kesari.

13 Q. What's the date?

14 A. Thursday, May 24, 2012, 8:25 p.m.

15 Q. Are you the recipient?

16 A. Yes.

17 Q. What's the subject?

18 A. Forward: May invoice.

19 Q. Is there an attachment identification?

20 A. Yes.

21 Q. And what's the text?

22 A. Of the attachment?

23 Q. I'm sorry. What does the body of the e-mail say? What does  
24 Dimitri Kesari say to you in this e-mail?

25 A. "This should be the last one."

1 Q. Then attached we have another invoice, correct?

2 A. Yes.

3 Q. Who is the invoice from?

4 A. Interactive Communication Technology, Inc.

5 Q. Who is the invoice to?

6 A. Ron Paul PCC, Inc., attention: Dimitri Kesari.

7 Q. Is there a quantity of one item billed on this invoice?

8 A. Yes.

9 Q. What is the description of that item?

10 A. Production services, May.

11 Q. And what is the cost of that item?

12 A. \$8,850.

13 Q. Turning your attention to the bottom of the invoice, what is  
14 the total bill in this invoice?

15 A. \$8,850.

16 Q. And as with the other invoices, is there information about  
17 how the invoice should be paid?

18 A. Yes.

19 Q. Is there an account name for how the invoice should be paid?

20 A. Yes.

21 Q. What is the account name?

22 A. ICT, Incorp.

23 Q. And then is there banking information?

24 A. Yes.

25 Q. Does it include a branch of the bank?

1 A. Yes.

2 Q. Is that College Park, Maryland, like the others?

3 A. Yes.

4 Q. Before we leave that invoice, going back to the top, is  
5 there an invoice number?

6 A. Yes.

7 Q. Just read that off to the jury?

8 A. Invoice No. 20120528.

9 MR. PILGER: It's a new exhibit, Ms. Archer.

10 BY MR. PILGER:

11 Q. Mr. Cortes, showing you what's been marked as Government's  
12 Exhibit 95 for identification and previously provided to the  
13 defense, is this an e-mail involving John Tate, yourself, Katie  
14 Koerber and concerning an ICT invoice?

15 A. Yes.

16 MR. PILGER: The government offers Exhibit 95 into  
17 evidence.

18 (Government Exhibit 95 was  
19 offered in evidence.)

20 MR. HOWARD: Your Honor, same hearsay objection that  
21 we've made previously.

22 MR. BINNALL: Same for Mr. Kesari as well.

23 THE COURT: Overruled. 95 is received.

24 (Government Exhibit 95 was  
25 received in evidence.)

1 BY MR. PILGER:

2 Q. So, Mr. Cortes, this is an e-mail chain, correct?

3 A. Yes.

4 Q. And it reads from the bottom up chronologically; is that  
5 correct?

6 A. Yes.

7 Q. And the first part of the chain was from Katie Koerber; is  
8 that right?

9 A. Yes.

10 Q. Your assistant?

11 A. Correct.

12 Q. And when did she send them?

13 A. Tuesday, May 29, 2012, at 9:28 a.m.

14 Q. Who did she send it to?

15 A. To myself.

16 Q. And what does the body of the e-mail say?

17 A. "This is for Ron Paul 2012 PCC.

18 "Lori and Deana.

19 "Please wire the following to Interactive  
20 Communication Technology, Inc.

21 "Amount \$8,850.

22 "Code 60110.

23 "Invoice No. 20120528.

24 "Wire to bank information."

25 Q. And the bank account information is for what company?

1 A. ICT, Incorp.

2 Q. And then there's banking information that's been redacted,  
3 including the routing number and account number, correct?

4 A. Correct.

5 Q. And a branch, College Park, Maryland?

6 A. Correct.

7 Q. Okay. Just focusing on the invoice number on Government's  
8 Exhibit 95 and returning to the attachment to Government's  
9 Exhibit 93, placing them next to each other, is that invoice  
10 number the same?

11 A. Yes.

12 Q. Returning to Government's Exhibit 95 in evidence, the first  
13 e-mail from Katie Koerber to yourself that you just read to the  
14 jury, does this forward the information necessary to report  
15 expenses in the normal way the campaign did that?

16 MR. HOWARD: Objection, Your Honor; leading.

17 THE COURT: It is leading. Sustained.

18 Pose another question.

19 BY MR. PILGER:

20 Q. Mr. Cortes, did the campaign have a way of making records  
21 and forwarding them concerning expenditures?

22 A. Yes.

23 Q. Was that an ordinary and regular and routine way of doing  
24 this?

25 A. Yes.

1 Q. And did the campaign make those records and use those  
2 records in the ordinary course --

3 MR. HOWARD: Your Honor, same objection.

4 THE COURT: It's just for foundation. Overruled.

5 BY MR. PILGER:

6 Q. Did the campaign make those records and use those records in  
7 the ordinary course of business?

8 A. Yes.

9 Q. And is Government's Exhibit 95 an example of a record made  
10 and used in the ordinary course of business of the Ron Paul  
11 Campaign?

12 A. Yes.

13 MR. BINNALL: Same objection.

14 THE COURT: Overruled.

15 BY MR. PILGER:

16 Q. So, Mr. Cortes, in the ordinary course of business, would  
17 the expense here that's being reported for Ms. Koerber to  
18 yourself be reported in this way with this code -- with a code  
19 number?

20 A. Once approved, yes.

21 Q. And the code number, how would that be generated? Would  
22 that come from information that the campaign just created by  
23 itself or would it rely on anything that the campaign had  
24 received?

25 A. It is my understanding there was an internal code.

1 Q. I understand. Can you explain how the campaign would create  
2 a code number? Would it depend on anything that the campaign  
3 had received or not?

4 MR. BINNALL: I'm objecting. Based on his prior  
5 answer, I think he's calling for hearsay right now.

6 THE COURT: Overruled.

7 Answer the question if you can.

8 A. Can you repeat the question, sir?

9 BY MR. PILGER:

10 Q. Would the code number that you would generate to go in a  
11 message like this, in the ordinary course of business, would you  
12 invent that out of thin air or would you rely on something that  
13 the campaign had received?

14 A. It is my understanding the codes were attached to  
15 expenditure -- expenditure based on the FEC reporting.

16 Q. So you're saying -- is that the purpose of the coding?

17 A. Correct.

18 Q. But I'm asking about how do you get to the code. Let me try  
19 it this way.

20 In this instance Ms. Koerber created the e-mail with  
21 the code, right?

22 A. Correct.

23 Q. And sometimes you would create the e-mail with the code,  
24 correct?

25 A. Correct.

1 Q. If you created an e-mail with the code in the ordinary  
2 course of business of making one of these e-mails, what would  
3 you use to decide what the code would be?

4 A. I would use the information on the invoice or rely on the  
5 person handing me an invoice to tell me what the invoice was  
6 for.

7 Q. Thank you.

8 And in Government's Exhibit 95, after Ms. Koerber  
9 reported to you the information concerning the invoice, an  
10 invoice, what happened next?

11 A. I forwarded to John Tate.

12 Q. You sent an e-mail to John Tate; is that right?

13 A. Correct.

14 Q. And you forwarded the e-mail that Ms. Koerber had generated,  
15 correct?

16 A. Correct.

17 Q. When did you do that?

18 A. Tuesday, 29 May 2012, 9:38.

19 Q. And what was the subject of the e-mail that you sent to  
20 Mr. Tate?

21 A. Forward: Wire - Interactive Communication Technology, Inc.

22 Q. And what was the body to Mr. Tate in that e-mail?

23 A. "Approved? Dimitri said it is the last one."

24 Q. And who is Dimitri?

25 A. Dimitri Kesari.

1 Q. Turning your attention to the last e-mail at the top of the  
2 page, what happened next?

3 A. John Tate replied to me.

4 Q. And when John Tate replied to you, when was that?

5 A. Tuesday, May 29, 2012, 11:03 a.m.

6 Q. And is the subject line the same as the e-mail you had sent  
7 to him?

8 A. Yeah, with an additional Re, regarding.

9 Q. I see. So with the regarding, it's the same as what you  
10 sent to him?

11 A. Correct.

12 Q. And what did he say to you?

13 A. "Approved."

14 Q. Mr. Cortes, showing you what's been marked for  
15 identification as Government's Exhibit 98, is this an e-mail  
16 chain involving sonnyizon@aol.com, Dimitri Kesari, yourself --

17 A. Yes.

18 Q. -- in the period of June 2012?

19 A. Yes.

20 Q. Does it concern an invoice?

21 A. Yes.

22 MR. PILGER: Your Honor, the government offers 98 in  
23 evidence.

24 (Government Exhibit 98 was  
25 offered in evidence.)

1 MR. HOWARD: For the record, same objection, Your  
2 Honor.

3 MR. BINNALL: For the record, same objection for  
4 Mr. Kesari.

5 THE COURT: The objection is overruled. In the  
6 statements I've noticed in each one of these from Sonny Izon are  
7 not offered for the truth of the matter. It just simply says,  
8 hope things are well, I'm sending you the invoice. So the  
9 objection is overruled. 98 is received.

10 (Government Exhibit 98 was  
11 received in evidence.)

12 BY MR. PILGER:

13 Q. And there's an attachment which is an invoice, correct?

14 A. Correct.

15 Q. Who is the invoice from?

16 A. Interactive Communication Technology, Inc.

17 Q. Who is the invoice to?

18 A. Ron Paul PCC Inc., attention: Dimitri Kesari.

19 Q. Is there a quantity of one item listed in the description?

20 A. Yes.

21 Q. And what is the item?

22 A. Production services, June.

23 Q. What is the cost of the item?

24 A. \$8,850.

25 Q. What is the total bill on the invoice?

1 A. \$8,850.

2 Q. Is there an invoice number on this invoice?

3 A. Yes.

4 Q. Returning to the first page covering that attachment, the  
5 first e-mail reading from the bottom up, who is that from? What  
6 is the e-mail address it is from?

7 A. Sonnyizon@aol.com.

8 Q. Who is it to?

9 A. Dimitri Kesari.

10 Q. What was the date it was sent?

11 A. Monday June 18, 2012, 4:57 p.m.

12 Q. What's the subject?

13 A. June invoice.

14 Q. And what's the body say?

15 A. "Hi Dimitri.

16 "Hope you are well. Since I will be on travel for  
17 most of the rest of the month, I'm sending you the June invoice.

18 "Good luck with the settlement of the Kennedy Street  
19 house.

20 "Peace.

21 "Sonny."

22 Q. And then does Sonny Izon send another e-mail in this chain  
23 or rather someone at sonnyizon@aol.com?

24 A. Yes.

25 Q. What's the next e-mail from sonnyizon@aol.com -- I'm sorry,

1 when is the next e-mail from sonnyizon@aol.com?

2 A. June 25, 2012, 5:05:49 Eastern Time.

3 Q. Who is that e-mail from?

4 A. Dimitri Kesari.

5 Q. What is the subject?

6 A. Forward: June invoice.

7 Q. And what does the body say?

8 A. "Hey Dimitri.

9 "Here it is. Thanks for everything.

10 "Sonny."

11 Q. Moving to the last e-mail at the top of the page, who is  
12 that e-mail from?

13 A. Dimitri Kesari?

14 Q. When did he send it?

15 A. Monday, June 25, 2012, 5:24 p.m.

16 Q. Who did he send it to?

17 A. To me, myself.

18 Q. What's the subject?

19 A. Forward: June invoice.

20 Q. And then there's an identification of an attachment,  
21 correct?

22 A. Correct.

23 Q. We already looked at the attachment, and it's the invoice,  
24 right?

25 A. Correct.

1 Q. What's the body of the e-mail say?

2 A. This is the last one.

3 Q. Thank you.

4 Showing you what's been marked for identification and  
5 provided to the defense as Government's Exhibit 100, is this an  
6 e-mail chain involving the Katie Koerber e-mail to yourself that  
7 we just talked about and involving a further e-mail between  
8 yourself and Mr. Tate?

9 A. Can you make it clearer?

10 Q. Yes.

11 A. Yes.

12 MR. PILGER: The government offers 100 into evidence.

13 (Government Exhibit 100 was  
14 offered in evidence.)

15 MR. BINNALL: Mr. Kesari objects to the e-mail from  
16 Mr. Tate on the grounds of hearsay as to Mr. Kesari.

17 MR. HOWARD: No objection from Mr. Benton, Your Honor.

18 THE COURT: Overruled. 100 is received.

19 (Government Exhibit 100 was  
20 received in evidence.)

21 BY MR. PILGER:

22 Q. So the e-mail chain starts with Ms. Koerber's rendition of  
23 an invoice to yourself, correct?

24 A. Yes.

25 Q. And the invoice number is noted in her communication to you;

1 is that correct?

2 A. Correct.

3 Q. And juxtaposing Government's Exhibit 100 for the invoice  
4 number, putting that next to the attachment, Government's  
5 Exhibit 98, an invoice from ICT, are the invoice numbers the  
6 same?

7 A. Yes.

8 Q. So Ms. Koerber' e-mail came to you, correct?

9 A. Correct.

10 Q. What happened next?

11 A. I forwarded it to John Tate.

12 Q. When you forwarded it to John Tate, did you say anything to  
13 John Tate in your forwarding e-mail?

14 A. Yes.

15 Q. When was that?

16 A. June 25, 2012, 5:49 p.m.

17 Q. And what did you say to John Tate?

18 A. "According to Dimitri this is the last one (again).

19 "Approved? 8k."

20 Q. Turning to the last e-mail in this chain, did Mr. Tate  
21 respond to you?

22 A. Yes.

23 Q. When did he respond to you?

24 A. Monday, June 25, 2012, 6:00 p.m.

25 Q. What was the subject of his response to you?

1 A. Regarding: Wire - Interactive Communication Technology,  
2 Inc.

3 Q. And what did he say to you in the body of that e-mail?

4 A. I will find out what it is.

5 Q. Turning your attention to Government's 104 for  
6 identification. Is this an e-mail chain concerning that invoice  
7 between yourself and Mr. Tate later that day, the 25th of June,  
8 2012?

9 A. Yes.

10 MR. PILGER: The government offers 104 in evidence,  
11 Your Honor.

12 (Government Exhibit 104 was  
13 offered in evidence.)

14 MR. BINNALL: Same objection.

15 MR. HOWARD: Your Honor, we will have a hearsay  
16 objection.

17 THE COURT: Overruled. 104 is received.

18 (Government Exhibit 104 was  
19 received in evidence.)

20 BY MR. PILGER:

21 Q. Now, Mr. Cortes, do you know what happened with Mr. Tate  
22 between the time he said, I'll find out what it is and the time  
23 he said approved to you?

24 A. No.

25 Q. If that happened in an e-mail, you didn't get it, right?

1 A. Correct.

2 Q. I do want to clear one thing up for the record. When you  
3 were sworn, you gave your name and you spelled it for the court  
4 reporter?

5 A. Correct.

6 Q. And you gave your full hyphenated -- your full hyphenated  
7 surname at that time, right?

8 A. That is my legal name, right.

9 Q. And you spelled it with a Z, right?

10 A. That is correct.

11 Q. In the e-mail your name appears with an S, right?

12 A. Correct. That's the name I go by.

13 Q. And that's what the campaign used when they used your name,  
14 right?

15 A. That is correct.

16 Q. Now, during the campaign when you were receiving invoices,  
17 when you and Ms. Koerber were receiving invoices from ICT, were  
18 you aware that the campaign had any relationship with someone  
19 named Kent Sorenson?

20 A. I had heard the name through press releases.

21 Q. And other than the press releases where you had heard the  
22 name, were you aware that the campaign had any financial  
23 relationship with Mr. Kent Sorenson?

24 A. No.

25 Q. Did the name Kent Sorenson appear on any of the invoices you

1 received from ICT?

2 A. No.

3 Q. Did the company name Grassroots Strategy appear on any of  
4 the invoices you received from ICT?

5 A. No.

6 Q. Did all of the invoices you received from ICT reference  
7 production services?

8 A. I believe so, yes.

9 Q. Would it help to refresh your recollection to show you the  
10 invoices again?

11 A. Yes, please.

12 Q. Okay. So I'm going to go through and show you the invoices.  
13 Just look at them silently to yourself. Do not read them aloud.  
14 Okay?

15 Mr. Cortes, does reviewing those documents refresh  
16 your recollection?

17 A. Yes.

18 Q. Does every single one of those invoices reference production  
19 services?

20 A. Yes.

21 Q. Did the campaign's coding of the expense come from the  
22 information on the ICT invoice or not?

23 A. Yes.

24 Q. Yesterday you talked about how you had a couple of roles  
25 with the campaign, you had Hispanic outreach, you had the

1 financial recordkeeping. You also said you had human resource  
2 responsibilities.

3 Do you remember that?

4 A. Yes.

5 Q. I believe you testified part of your responsibility was  
6 hiring?

7 A. Yes.

8 Q. And as part of hiring, you mentioned people had to sign  
9 nondisclosure agreements?

10 A. Correct.

11 Q. So you would interact with people that the campaign hired,  
12 correct?

13 A. Correct.

14 Q. Did you ever interact with Kent Sorenson as someone who was  
15 hired by the campaign?

16 A. No.

17 Q. Did you ever arrange a nondisclosure agreement with Kent  
18 Sorenson?

19 A. No.

20 Q. Now, I'm going to turn your attention forward in time. The  
21 documents we've been looking at, what year were they?

22 A. 2012.

23 Q. I'm going to turn your attention forward to 2013, okay. In  
24 the summer of 2013, do you remember anything about media  
25 articles concerning Kent Sorenson?

1 A. Yes.

2 Q. What do you remember?

3 MR. BINNALL: Objection. That calls for hearsay, Your  
4 Honor, what's in media articles.

5 THE COURT: Makes me nervous when you ask such an  
6 open-ended question like that. I'm going to sustain it.

7 BY MR. PILGER:

8 Q. Mr. Cortes, did reading those articles cause you to do  
9 something?

10 THE COURT: Thank you.

11 A. Yes.

12 BY MR. PILGER:

13 Q. What were the articles saying?

14 MR. BINNALL: Your Honor, this is -- what the media  
15 has said is so unfairly prejudicial.

16 THE COURT: Yep. Sustained.

17 BY MR. PILGER:

18 Q. Very narrowly, did the articles concern allegations about  
19 Kent Sorenson being paid by the campaign?

20 MR. HOWARD: Objection.

21 THE COURT: Overruled.

22 Answer the question.

23 A. Yes.

24 BY MR. PILGER:

25 Q. Did that cause you to do something?

1 A. Yes.

2 Q. What did it cause you to do?

3 A. I went back to the records, the e-mail records of my account  
4 from the campaign.

5 Q. I'm sorry; your what?

6 A. I went back to the e-mail records of the campaign that were  
7 mine.

8 Q. Okay. And let's make a clear record here on your access to  
9 the e-mail. You were no longer employed by the campaign at that  
10 time, correct?

11 A. That is correct.

12 Q. But you did have access to the e-mails; is that right?

13 A. That is correct.

14 Q. And you went back to the e-mail and you did what?

15 A. I looked at -- I compared the allegations in the news  
16 articles or Web posts and compared it to irregularities from --  
17 some invoice irregularities that I found.

18 Q. And did you do something after you had reviewed the e-mail?

19 A. Yes.

20 Q. What did you do?

21 A. I compiled these irregularities and I sent them to three  
22 individuals.

23 Q. You sent them to three individuals; is that what you said?

24 A. Correct.

25 MR. PILGER: And a new exhibit, Ms. Archer.

1 BY MR. PILGER:

2 Q. Showing you what's been marked for identification as  
3 Government's Exhibit 61, is this a redacted version of the  
4 e-mail you sent to the three individuals?

5 A. Yes.

6 Q. Did you attach multiple documents to the e-mail?

7 A. Yes.

8 Q. Are they listed on the first page of this e-mail?

9 A. Yes.

10 Q. And is some information blacked out; that is, redacted,  
11 taken out of the e-mail for present purposes?

12 A. Yes.

13 Q. Do two of the attachments concern ICT?

14 A. Yes.

15 Q. When did you send this e-mail?

16 A. Saturday, August 17, 2013, 11:57 a.m.

17 Q. Who did you send it to?

18 A. Jesse Benton, Lori Pyeatt, Deana Watts.

19 MR. PILGER: The government offers 61 in evidence,  
20 Your Honor.

21 (Government Exhibit 61 was  
22 offered in evidence.)

23 MR. HOWARD: Your Honor, there will be an objection,  
24 first, to the redactions. Second, it is not a business record.  
25 Third, the attachments are all clearly hearsay. They're e-mails

1 back and forth. There's no exception.

2 MR. BINNALL: On top of that, Your Honor, this has no  
3 relevance as to Mr. Kesari. It's hearsay as to Mr. Kesari.

4 THE COURT: What is the exhibit number again?

5 MR. PILGER: 61, Your Honor. And if it makes it  
6 easier, we can offer an unredacted version.

7 And, Your Honor, this goes to defendant Benton's state  
8 of mind at the time of the charged offense.

9 THE COURT: The objection is overruled. 61 is  
10 received.

11 MR. PILGER: Your Honor, is that received redacted or  
12 unredacted?

13 THE COURT: He wants it unredacted. It's against  
14 defendant Benton only and it's not being offered against  
15 defendant Kesari, and if he wants the unredacted one, that's  
16 what he will get. That is received.

17 (Government Exhibit 61 was  
18 received in evidence.)

19 MR. BINNALL: So we will get an instruction to the  
20 jury they are not to consider it as to Mr. Kesari.

21 THE COURT: I just did. This is being offered against  
22 Mr. Benton.

23 MR. BINNALL: Thank you.

24 BY MR. PILGER:

25 Q. So showing you, Mr. Cortes, what's now in evidence as

1 Government's Exhibit 61. This is an unredacted version of the  
2 same document we were just talking about, correct?

3 A. Yes.

4 Q. Let's just walk through this e-mail a little bit. You sent  
5 this to Jesse Benton at a Gmail account, correct?

6 A. Correct.

7 Q. And you sent this to Lori Pyeatt. Please remind the jury  
8 who Lori Pyeatt is.

9 A. Lori Pyeatt is the treasurer of the campaign.

10 Q. The treasurer of --

11 A. The Ron Paul 2012 Campaign.

12 Q. It may be just me, but I'm having trouble hearing you.  
13 Please keep your voice up.

14 And you sent it to Deana Watts. Who is Deana Watts  
15 again?

16 A. Deana Watts was the controller of the campaign for Ron Paul  
17 2012.

18 Q. When did you send this?

19 A. Saturday, August 17, 2013, 11:57 a.m.

20 Q. So you spent your Saturday on this, right?

21 A. Correct.

22 Q. And there's a number of attachments to this e-mail, right?

23 A. That is correct.

24 Q. And two of the attachments listed in the middle of the  
25 attachment block concern ICT, right?

1 A. Correct.

2 Q. Just read off for the jury the names of those attachments.

3 A. Ron Paul 2012 mail-wire-Interactive Communication

4 Technology, Inc. 2PDF. Ron Paul 2012 mail-wire-Interactive

5 Communication Technology, Inc. PDF.

6 Q. There's a number of other attachments concerning other

7 companies or other things; is that right?

8 A. Correct.

9 Q. Going to the body of the e-mail, how did you address the  
10 group?

11 A. Jesse, Lori and Deana.

12 Q. Why did you list Jesse first?

13 A. It was just same order as I sent the e-mails.

14 Q. Okay. What was Mr. -- is "Jesse" Jesse Benton, in your  
15 mind?

16 A. Yes.

17 Q. And what was Mr. Benton's role in the campaign?

18 A. He was the chair of the committee.

19 Q. And so when you sent this e-mail to Jesse Benton, Lori

20 Pyeatt and Deana Watts, tell the jury what you said.

21 A. "Given recent articles, attached are conversations/e-mail  
22 chains you were left out of during the campaign (even though  
23 Dimitri in some of them made it seem like you were - others were  
24 big expenses without Jesse in the chain) and were inconsistent  
25 to me."

1 Q. Continue.

2 A. "Dennis is not a good guy (he is hurting Ron, Jesse, and any  
3 progress for the future of Liberty candidates) but neither is  
4 Dimitri. IMO" -- in my opinion -- "but then again I don't know  
5 it all so I leave it to you.

6 "New cell for me is 571" --

7 Q. Stop. You don't have to put your cell phone in the record.

8 A. New cell for me, phone number, if you have questions.

9 "The last attachment is an e-mail (sorry for the  
10 lewdness) I got about a month ago - not sure who it's from - my  
11 two guesses - Dennis or Dimitri using dummy accounts.

12 "Fernando."

13 Q. Now, attached to that e-mail are 34 pages of the attachments  
14 listed in the attachment block.

15 Do you remember that?

16 A. It was lengthy.

17 Q. It was what?

18 A. It was lengthy, yes.

19 Q. I would like you to review the document itself.

20 I'm not sure if you were counting those pages, but are  
21 there approximately 30 pages attached?

22 A. Yes.

23 Q. In the attachments which were noted in the attachment block  
24 of page 1, you included e-mail chains concerning ICT; is that  
25 correct?

1 A. Correct.

2 Q. And you just reviewed them. Are those lengthy chains that  
3 duplicate a number of items over a number of pages?

4 A. Yes.

5 Q. All right. I'm just going to ask you about a few of those.

6 Turning your attention to an e-mail chain in April of  
7 2012, is there a chain at the top that has a March 21, 2012  
8 e-mail from sonnyizon@aol.com to Dimitri Kesari?

9 A. Yes.

10 Q. What's the subject?

11 A. February invoice.

12 Q. What's the body say?

13 A. "Hi Dimitri.

14 "Attached is the invoice for services rendered in  
15 February. Let me know if you need anything else.

16 "Best.

17 "Sonny."

18 Q. Moving to the top of the page, is there an e-mail on  
19 April 3, 2012?

20 A. Yes.

21 MR. HOWARD: Your Honor, objection. These have all  
22 been asked and answered.

23 THE COURT: Overruled.

24 BY MR. PILGER:

25 Q. And, again, this is -- these e-mails that we're talking

1 about right now are e-mails you collected and forwarded to  
2 Mr. Benton in 2013, correct?

3 A. Correct.

4 Q. And in 2013 you forwarded him an e-mail chain from back in  
5 2012 on April 3rd, right?

6 A. Correct.

7 Q. Who was that e-mail from?

8 A. Dimitri Kesari.

9 Q. Who was it to?

10 A. Myself.

11 Q. And what did it say?

12 A. "Approved by Jesse."

13 Q. Who is Jesse?

14 A. Jesse Benton.

15 Q. Showing you another page of the same exhibit, is there an  
16 e-mail from March 21, 2012 from sonnyizon@aol.com to Dimitri  
17 Kesari?

18 A. Yes.

19 Q. Does it concern the February invoice?

20 A. Yes.

21 Q. And turning to the next e-mail, is there a message from  
22 Dimitri Kesari to Fernando Cortes?

23 A. Yes.

24 Q. What does it say?

25 A. "Approved by Jesse."

1 Q. Who is Jesse?

2 A. Jesse Benton.

3 Q. So we have two pages of this exhibit from 2013 so far that  
4 reference approved by Jesse, correct?

5 A. Correct.

6 Q. The next e-mail I want to show you carries over from one  
7 page to another. So turning your attention to February 8, 2012,  
8 did Dimitri Kesari send you an e-mail?

9 A. Yes.

10 Q. On February 8, 2012, what did Dimitri Kesari e-mail to you?  
11 What was the message?

12 A. "Please wire tomorrow morning.

13 "This is approved by Jesse."

14 Q. Looking at a different part of the e-mail chain, did this  
15 concern ICT invoicing?

16 A. Yes.

17 Q. Mr. Cortes, we did not go through every single e-mail and  
18 all of the e-mails that we talked about before that may be  
19 included in this chain, did we?

20 A. No.

21 Q. And there are other e-mails concerning other matters that we  
22 have not talked about, correct?

23 A. Correct.

24 MR. PILGER: Pardon me, Your Honor.

25 (Pause.)

1 BY MR. PILGER:

2 Q. Mr. Cortes, showing you what's been marked for  
3 identification as Government's Exhibit 62, is this the e-mail  
4 that you sent to Jesse Benton, Lori Pyeatt, and Deana Watts,  
5 plus a response from somebody?

6 A. Yes.

7 MR. PILGER: Government offers 62 into evidence.

8 (Government Exhibit 62 was  
9 offered in evidence.)

10 MR. BINNALL: We have the same objection that this is  
11 unfair and prejudicial as to Mr. Kesari.

12 MR. HOWARD: And, Your Honor, I don't believe that --  
13 it references an awful lot of things, and it's just hearsay.

14 THE COURT: Thank you.

15 The objection is overruled. 61 and 62 are being  
16 offered only against defendant Benton.

17 (Government Exhibit 62 was  
18 received in evidence.)

19 BY MR. PILGER:

20 Q. The person who sent you this e-mail was Jesse Benton,  
21 correct?

22 A. Correct.

23 Q. And in response to the e-mail that we were just talking  
24 about with the 30-some pages of attachments, what did Jesse  
25 Benton say to you?

1 A. "Thanks, Fernando."

2 Q. When did he say that to you?

3 A. Saturday, August 17, 2013, 1:28 p.m.

4 Q. 2013, not 2012, correct?

5 A. Correct.

6 Q. He didn't say anything else to you in that e-mail, correct?

7 A. That is correct.

8 Q. Did he have any other communication with you about it?

9 A. About this e-mail?

10 Q. About the e-mail you had sent him?

11 A. No.

12 Q. Did he ever tell you, I don't know what this is about?

13 A. No.

14 Q. Did he ever ask you more information?

15 A. No.

16 Q. Did he ever say, I didn't approve of these things?

17 A. No.

18 MR. PILGER: No further questions, Your Honor.

19 THE COURT: Mr. Howard or Ms. Sinfelt?

20 MR. HOWARD: I'm sorry?

21 MS. SINFELT: Mr. Howard.

22 THE COURT: Mr. Howard.

23 MR. HOWARD: Oh, yes, I'm sorry. I apologize, Your  
24 Honor.

25

1 CROSS-EXAMINATION

2 BY MR. HOWARD:

3 Q. Good morning, Mr. Cortes. How are you?

4 A. Good morning.

5 Q. These are a little out of order, so I'm going to apologize  
6 to you.

7 Do you have the last document that Mr. Pilger showed  
8 you?

9 A. I do not.

10 Q. Government's Exhibit 62?

11 A. I do not have it in front of me.

12 Q. I'm sorry. Let me --

13 Did you leave the exhibits with him?

14 Do you have the exhibits in front of you? No. Let me  
15 put it on the screen. I'm sorry. I'm a little old. I'm used  
16 to handing people documents, so I apologize.

17 Okay. Does that look familiar? You just looked at  
18 that?

19 A. That is correct.

20 Q. And the date on this is, what, sir? Sorry, August 17, 2013?

21 A. Yes.

22 Q. And Mr. Pilger read (sic) you a series of questions. Did  
23 Mr. Benton ever actually say that he read this?

24 A. No.

25 Q. He said thanks for sending it?

1 A. He said, "Thanks, Fernando."

2 Q. Okay. And do you know where Mr. Benton was at the time?

3 A. No.

4 Q. When you knew him, he was a pretty busy guy, wasn't he?

5 A. During the campaign he was very busy.

6 Q. Do you remember that at this time in 2013 he was running the  
7 senate campaign for Mitch McConnell in Kentucky?

8 A. I was aware he had been hired.

9 Q. And you've been on a bunch of campaigns, haven't you?

10 A. I've been on two, yes.

11 Q. You've been on two. And the person who brought you into  
12 those two is in this courtroom; isn't that correct?

13 A. No.

14 Q. Dimitri Kesari wasn't instrumental in getting you on the  
15 campaign?

16 A. On the second one, yes.

17 Q. On the second one. So just on the second one he brought you  
18 in?

19 A. He was the first contact.

20 Q. And you're friendly with him; isn't that right?

21 A. With who?

22 Q. With Mr. Kesari.

23 A. No.

24 Q. Are you friendly with Mr. Benton?

25 A. Yes.

1 Q. You know his wife, Valerie?

2 A. Yes.

3 Q. You know she's here in the gallery, you recognize her; is  
4 that correct?

5 A. Yes.

6 Q. And you also are familiar with other members of the family?  
7 It's kind of a family organization these campaigns with  
8 Dr. Paul; isn't that correct?

9 A. I'm sorry, which question?

10 Q. And I apologize. Isn't it correct that Dr. Paul's campaigns  
11 are kind of a family organization; isn't that correct?

12 A. Yes.

13 Q. Lori Pyeatt is who?

14 A. Dr. Paul's daughter.

15 Q. And Mr. Benton's mother-in-law; is that correct?

16 A. Correct.

17 Q. And you know the employees. Do you know the employee Kent  
18 Fite?

19 A. No.

20 Q. You don't. Married to Lori's cousin, do you know that? I'm  
21 sorry; married to Valerie's cousin; did you know that?

22 A. No.

23 Q. Okay. But did you know there was another Kent on the  
24 campaign?

25 A. No.

1 Q. You didn't know that?

2 MR. PILGER: Objection.

3 THE COURT: What's the objection?

4 MR. PILGER: Asked and answered.

5 THE COURT: Overruled.

6 BY MR. HOWARD:

7 Q. Mr. Pilger showed you -- and I'm going to go back over them,  
8 but Mr. Pilger showed you a series of invoices that said  
9 "approved by Jesse." You saw that; isn't that right?

10 Do you remember those?

11 A. Yes.

12 Q. Okay. And the end of the e-mail chain would say, "Approved  
13 by Jesse," and that came from Dimitri Kesari.

14 Do you remember that?

15 A. Yes.

16 Q. And Mr. Pilger asked you a series of questions that said it  
17 looks like essentially Mr. Benton approved these invoices. Do  
18 you remember that series of questions from Mr. Pilger?

19 A. Yes.

20 Q. But you sent him, you sent Mr. Benton -- I'm going to show  
21 you Government's Exhibit 61, and I apologize for my first lapse  
22 there. This is Government's Exhibit 61.

23 This is Government's Exhibit 61. Do you recognize  
24 that?

25 MS. SINFELT: Have to change it.

1 THE COURT: Did somebody freeze the --

2 MR. PILGER: If I may, Your Honor.

3 MR. HOWARD: Thank you, Mr. Pilger.

4 Okay. I have no idea what just went on.

5 THE COURT: My middle schoolers get out at 2:45.

6 They'll come over and help you.

7 (Laughter.)

8 BY MR. HOWARD:

9 Q. Do you remember that exhibit?

10 A. Um --

11 Q. It's there, sir, in front of you. I'm sorry.

12 A. Can you make it smaller, please?

13 Q. Oh, sure. Yeah, right.

14 (Laughter.)

15 A. Yes, I remember this.

16 Q. Can you see it now?

17 A. Yes.

18 Q. You sent that to Mr. Benton because you didn't think he had  
19 seen any of those other invoices; isn't that correct?

20 A. That is correct.

21 Q. And when someone suggests that he did see it, that would be  
22 wrong; isn't that correct?

23 A. I would think that that would be inaccurate.

24 Q. Thank you.

25 And let me just ask you another question. Let's talk

1 about the campaign itself, you know, what's involved.

2 Now, all of this is going on. Dr. Paul is running for  
3 arguably the most powerful position in the world. He wants to  
4 be President of the United States; isn't that correct?

5 A. Dr. Paul was running for President.

6 Q. And there are, what, about 145, 150 staffers and volunteers;  
7 is that correct?

8 A. In the campaign, correct.

9 Q. And some of the campaign workers are actually getting paid;  
10 isn't that correct?

11 A. That is correct.

12 Q. And as far as you know, there's nothing wrong with paying  
13 someone who is actually working for Dr. Paul; is that correct?

14 A. If they're employees of the campaign.

15 Q. If they're employees, they get money?

16 A. Yes.

17 Q. And isn't it correct that this campaign of Dr. Paul's in  
18 2011 and 2012 is spread all over the country; isn't that  
19 correct?

20 A. That is correct.

21 Q. And you, yourself, you're in Alexandria, Virginia; isn't  
22 that right?

23 A. For most of the campaign, yes.

24 Q. And you're there with Mr. Tate; isn't that correct?

25 A. He was there most of the time as well.

1 Q. And would it be fair to say that most of the time you have  
2 no idea where Mr. Benton is; wouldn't that be fair?

3 A. I would not know exactly where he was.

4 Q. He traveled with the candidate; isn't that right?

5 A. Sometimes he would. I would not know when.

6 Q. Is it your information that Mr. Benton was at the top of the  
7 campaign staffers? He was the -- he and Mr. Tate were the chair  
8 of the campaign; was that your understanding?

9 A. Jesse was the chairman, yes.

10 Q. And it was your understanding that Mr. Benton actually  
11 traveled with his grandfather-in-law, isn't that correct?

12 A. Sometimes, yes.

13 Q. And it was your understanding that Dr. Paul didn't even like  
14 e-mail; isn't that right?

15 A. He did not interact with e-mail.

16 Q. Dr. Paul was somebody you wouldn't have been in touch with;  
17 isn't that right?

18 A. Not in the normal course.

19 Q. And you were in touch with people about invoices because  
20 you're the assistant controller; is that right?

21 A. That is correct.

22 Q. And you were in touch with people across this country, you  
23 had operations -- and correct me if I'm wrong in anything I set  
24 out; but you were in South Carolina right after everything going  
25 on in Iowa; isn't that correct?

1 A. I was never in South Carolina.

2 Q. No, no, and I apologize. Let me back up. Poorly asked  
3 question.

4 The campaign had workers in South Carolina; isn't that  
5 right?

6 A. At some point, yes.

7 Q. And the campaign had workers here in the State of Iowa;  
8 isn't that correct?

9 A. That is correct.

10 Q. And the campaign had workers in New Hampshire; isn't that  
11 correct?

12 A. Yes, sir.

13 Q. And the campaign had workers in Minnesota; isn't that  
14 correct?

15 A. Yes.

16 Q. And the campaign had workers in Nevada; isn't that correct?

17 A. Yes.

18 Q. And the campaign was following any state that was about to  
19 vote on members of the convention?

20 A. Yes.

21 Q. The Republican Convention; isn't that correct?

22 A. Yes.

23 Q. It was a busy time; isn't that right?

24 A. Correct.

25 Q. And it was your sense that you weren't going to bother the

1 person walking next to the candidate on a regular basis with  
2 what you thought was minor issues like these invoices; isn't  
3 that correct?

4 A. If the invoices were small amounts, correct.

5 Q. You went to Mr. Tate; isn't that right?

6 A. Yes.

7 Q. And Mr. Tate sat in Alexandria with you?

8 A. Sometimes, yes.

9 Q. Now, during this period of the ICT invoices, you weren't  
10 talking to Mr. Benton, were you?

11 A. Not on a regular basis.

12 Q. And so when you are asked by -- or when you are told by  
13 Dimitri Kesari that an invoice has been approved by Mr. Benton,  
14 you never called Mr. Benton, did you?

15 A. I did not.

16 Q. You did not e-mail Mr. Benton, did you?

17 A. I did not.

18 Q. And when you went to Mr. Tate, you went to Mr. Tate, not to  
19 see if Jesse approved, but to get the check moving forward, just  
20 to make sure the check could get approved; isn't that right?

21 A. I would send it to John Tate for approval.

22 Q. And John Tate was the one that you looked to for approval,  
23 not to Mr. Benton; isn't that correct?

24 A. Correct.

25 Q. Now, after you got the approval, you found a code; is that

1 right?

2 A. There was a code assigned to the invoices before they were  
3 approved.

4 Q. And these are the Federal Election codes; is that right?

5 A. The codes were internal based off FEC expense categories.

6 Q. And you're the person who came up with that; is that right?

7 A. I am not.

8 Q. You were not?

9 A. I am not.

10 Q. Who is the person who came up with the code?

11 A. I was given them by Deana Watts.

12 Q. So you're saying Deana Watts came up with the code?

13 A. Came up with the chart of accounts, the codes that I would  
14 use to assign invoices.

15 Q. All right. Did you pick one? Were you the person who  
16 picked one, picked the code to go on these invoices?

17 A. Yes.

18 Q. And did you have any training picking these codes? Did  
19 anybody tell you how to do it?

20 A. No. I was the one in charge of doing them.

21 Q. You were essentially picking from a chart, but you had no  
22 formal training?

23 A. The training I was given was to assign invoices with codes  
24 that matched the expense by Deana Watts.

25 Q. Did anybody else in the campaign do this?

1 A. Do what?

2 Q. Help you pick the codes.

3 A. My assistant sometimes would and employees or contractors  
4 that sent invoices would also let me know what type of expense  
5 it was so I could appropriately include a code with it.

6 Q. Would you agree with me if I said it was difficult to do?

7 A. Not that difficult.

8 Q. Okay. Did you ever train anyone else in the campaign to  
9 help you with this?

10 A. Yes; my assistants.

11 Q. Your assistants. Did you ever ask Mr. Benton?

12 A. No.

13 Q. Did you ever ask Mr. Kesari?

14 A. About training?

15 Q. Yes.

16 A. No.

17 Q. Did he know how to do it? Did you ever ask Mr. Tate?

18 A. About getting trained?

19 Q. No; about him getting trained. I apologize. Maybe my  
20 question wasn't clear.

21 A. All employees were instructed to refer back to the chart of  
22 accounts that we gave them regarding invoices and expense  
23 reimbursements which they used on a regular basis.

24 Q. Do you know if they actually were taught how to work the CFR  
25 that shows where these codes come from?

1 A. CFR?

2 Q. I'm sorry; the Code of Federal Regulations.

3 A. I don't believe so. It was all internal. It was all  
4 internal instructions given for me.

5 Q. You talked about not knowing what Grassroots Strategy is and  
6 not knowing what the -- who Kent Sorenson was; is that correct?

7 A. What's your question?

8 Q. You had answered one of Mr. Pilger's questions by saying you  
9 did not know who Grassroots Strategy was?

10 A. That is correct.

11 Q. Do you know --

12 A. He asked me if they were included in these invoices.

13 Q. Okay. Let me ask you a question. Do you know who  
14 Grassroots Strategy is?

15 A. I don't know who Grassroots Strategy is.

16 Q. Do you know who Kent Sorenson is?

17 A. I do now.

18 Q. And did you know at the time in 2011, 2012 time frame?

19 A. I only knew that he was a State Senator in Iowa based on  
20 press releases that the campaign released.

21 Q. Thank you.

22 And did you know that Kent Sorenson had actually sent  
23 an invoice in January of 2012 to the Ron Paul Campaign?

24 A. I do not recall this.

25 Q. You don't?

1 A. I do not recall this.

2 Q. And you don't recall it because, what, it was a little while  
3 ago?

4 A. That may be the case.

5 Q. I'm just asking. I'm not accusing you of anything.

6 A. I don't recall it.

7 Q. You don't recall. You went through an awful lot of  
8 invoices, didn't you, sir?

9 A. Yes.

10 Q. And it's hard after you've gone through a bunch of invoices  
11 to recall any particular invoice, certainly not the situation  
12 like this; isn't that correct, sir?

13 A. I -- it is difficult to recall every invoice.

14 Q. Yeah, it's hard. And one of the things that the government  
15 showed you, if you will, is -- I'm going to take off the first  
16 page.

17 Do you remember seeing Government's Exhibit 59?

18 MR. HOWARD: This is in evidence. Why don't you show  
19 the middle of the page.

20 A. Yes, I remember.

21 BY MR. HOWARD:

22 Q. You remember this? And I'm going to remove this page, and I  
23 want to show you one thing on here. These are a list of payees  
24 and, I'm going to ask you a question I believe I know the answer  
25 to, and I apologize, I marked on this; but I'm going to ask you

1 a question, do you know these people?

2 A. I had to interact with most of them, if not all of them.

3 Q. Okay. Tell the members of the jury who James Forsythe is?

4 A. To the best of my knowledge, Mr. Forsythe was a  
5 contractor/employee that worked in New Hampshire for us.

6 Q. Okay. And James Forsythe was paid by the campaign; isn't  
7 that correct?

8 A. It is, sir.

9 Q. And you wrote checks to him; isn't that correct?

10 A. The campaign did, yes.

11 Q. And would it help you if I told you that James Forsythe is a  
12 State Senator from New Hampshire; isn't that correct?

13 A. I recall something like that, yes.

14 Q. And you were paying him; isn't that correct?

15 A. The campaign was.

16 Q. Okay. Thank you.

17 When you were asked about the reporting requirements  
18 for the Federal Election Commission and you mentioned that they  
19 paid -- that you had to make reports on a quarterly basis, do  
20 you remember that?

21 A. I recall being asked that, yes.

22 Q. And do you remember the quarter ending in 2011 at the end of  
23 that calendar year?

24 A. Yes.

25 Q. And do you remember at the end of the -- would you just tell

1 the members of the jury, at the end of a calendar year in a  
2 campaign, busy time?

3 A. Not necessarily, but for our case it certainly was.

4 Q. And it was busy because you all -- you had just started up  
5 that year; is that correct?

6 A. I would say it was more it was busy because the primaries  
7 were about to start.

8 Q. And you were dealing with an awful lot of invoices; is that  
9 correct?

10 A. As usual, yes.

11 Q. I notice that with these invoices that Mr. Pilger has shown  
12 you that you pay -- you send a wire with an invoice; is that  
13 correct?

14 A. When it's requested.

15 Q. When you actually have an invoice, you send a wire; is that  
16 the way it works?

17 A. Not always. Sometimes we cut checks.

18 Q. Okay. Sometimes you cut checks. Would you send a wire  
19 without an invoice while you were controller?

20 A. I personally did not send wires, but --

21 Q. I'm sorry. Would you approve a wire to be sent?

22 A. I would ask for approval for a wire to be sent.

23 Q. Would you need an invoice to do it?

24 A. Yes.

25 Q. Would you do it without an invoice?

1 A. Oftentimes if the invoice -- not oftentimes, I apologize,  
2 but certain times if an invoice had to get out within, you know,  
3 five minutes and time was running short, a wire would be sent on  
4 the approval of either Jesse, John or Dimitri, full well knowing  
5 that we needed an invoice that same day.

6 MR. HOWARD: Okay. Could I have one moment, Your  
7 Honor?

8 (Pause.)

9 MR. HOWARD: Give me one minute, Mr. Cortes.

10 (Pause.)

11 BY MR. HOWARD:

12 Q. Mr. Cortez-Lira, I apologize, and congratulations. When did  
13 you get married, sir?

14 A. I'm sorry?

15 Q. You got married; is that correct?

16 A. That is incorrect.

17 Q. Okay. My apologies.

18 A. It's not that I'm aware of.

19 Q. Mr. Cortez-Lira, do you ever remember Mr. Benton asking for  
20 a wire?

21 A. I'm not sure. Sometimes there may have been a time when he  
22 asked for a wire to be sent.

23 Q. Do you ever remember him asking for a wire to be sent  
24 without an invoice?

25 A. There may have been a time, but I don't specifically recall

1 one.

2 Q. His normal course was to ask for a wire with an invoice; is  
3 that correct?

4 A. That is correct.

5 Q. And that seemed to be his normal practice; is that correct?

6 A. Yes.

7 MR. HOWARD: Your Honor, at this point we have no  
8 other questions.

9 THE COURT: Mr. Binnall.

10 MR. BINNALL: Yes, Your Honor.

11 CROSS-EXAMINATION

12 BY MR. BINNALL:

13 Q. Good morning, Mr. Cortes.

14 You were on the finance side of the campaign, correct?

15 A. Among one of my fields, yes.

16 Q. And you've heard that referred to as the compliance side at  
17 the time as well, correct?

18 A. To some degree, yes.

19 Q. And part of your role was to make sure that the Federal  
20 Election Commission was notified of expenditures, right?

21 A. That is not entirely correct. I was in charge of making  
22 sure that invoices had the correct information to send to the  
23 controller and treasurer for them to report to the FEC.

24 Q. And you knew that the way that -- the information that you  
25 would give to the controller and treasurer would end up on

1 Federal Election Reports, correct?

2 A. Fair.

3 Q. And it was actually your job to compile the information and  
4 pass it on to Ms. Watts in the Texas office, right?

5 A. Correct.

6 Q. And there was the Texas office and then there was the  
7 Virginia office, right?

8 A. Correct.

9 Q. And Mr. Tate was with you in the Virginia office, right?

10 A. Some of the time, yes.

11 Q. Some of the time. And Ms. Pyeatt and Ms. Watts, they were  
12 both in Texas, right?

13 A. That is right.

14 Q. And so as expenses came in, you would code them and pass  
15 them on to Ms. Watts, correct?

16 A. If the employees had not coded them already, we would assign  
17 the code and pass along to Ms. Watts and Ms. Pyeatt.

18 Q. And by coding them, that's that numerical value we saw in  
19 some of those e-mails, right?

20 A. If you're referring to the codes, yes.

21 Q. And Ms. Watts is the one who actually provided you with  
22 those numbers?

23 A. Correct.

24 Q. I'm going to show you what's already in evidence as Exhibit  
25 77.

1 Do you see that e-mail?

2 A. Can you make it smaller, sir?

3 Q. Sure.

4 A. Smaller.

5 Q. Oh, smaller; I'm sorry.

6 A. Thank you.

7 Q. All right. Do you see it there?

8 A. Exhibit 77, yes, sir.

9 Q. All right. And this is an e-mail from February the 8th,  
10 2012. You were passing on an invoice to Ms. Pyeatt and  
11 Ms. Watts in the Texas office; is that right?

12 A. Yes.

13 Q. And the code there is 60110; is that correct?

14 A. That's correct.

15 Q. And you're forwarding on an e-mail from Mr. Kesari, right?

16 A. That is correct.

17 Q. And Mr. Kesari doesn't suggest a code there, does he?

18 A. Not in this e-mail, no.

19 Q. And he doesn't tell you in this e-mail what the purpose of  
20 this expense is for, correct?

21 A. Not in this e-mail.

22 Q. And previous to this e-mail on February the 8th, he had  
23 never told you in any e-mail what this expense is for, correct?

24 A. Yes, he did.

25 Q. He told you in an e-mail?

1 A. Yes.

2 Q. Okay. We'll come back to that. Prior to February 8th?

3 A. That is correct.

4 Q. And in this e-mail, you're the one who put 60110, not  
5 Mr. Kesari; isn't that right?

6 A. That is correct.

7 Q. Now, Mr. Kesari didn't work under you in that campaign, did  
8 he?

9 A. No, he didn't.

10 Q. And he didn't work under Ms. Watts; he didn't work under  
11 Ms. Pyeatt?

12 A. That was not the direct line under the financial portion.

13 Q. He was not in compliance in the campaign, correct?

14 A. Not directly. He would have been involved with the  
15 financial reporting.

16 Q. He was under the political side of the campaign; isn't that  
17 correct?

18 A. Yes. But when it came to expenses, everybody had a  
19 responsibility to make sure that any invoices or expenses turned  
20 in had a proper code and explanation as to what those expenses  
21 were.

22 Q. We'll get to that.

23 For that January -- for the invoice on February 8,  
24 2012 -- let me put that right back up here --

25 MR. PILGER: May I inquire of the exhibit number?

1 MR. BINNALL: We're back at Exhibit 77 again.

2 With the court's indulgence for one minute?

3 (Pause.)

4 THE COURT: Probably a good time for a morning recess.

5 We'll come back at 10:45. See you then.

6 (Recess at 10:26 a.m., until 10:44 a.m.)

7 THE COURT: Please be seated.

8 Mr. Binnall, you may continue.

9 BY MR. BINNALL:

10 Q. All right. Mr. Cortes, on here is Exhibit 77.

11 Do you see that?

12 A. Yes, yes.

13 Q. All right. Now, Mr. Cortes, you never talked with anyone  
14 about this invoice or raised any questions about this invoice,  
15 did you?

16 A. This invoice had been previously authorized before this  
17 e-mail.

18 Q. And my specific question was, you never talked with anyone  
19 about this invoice or raised any questions about it, did you?

20 A. I did not raise any questions, correct.

21 Q. And you didn't even talk to anyone about it, did you?

22 A. It had been approved. This invoice had been approved  
23 before.

24 Q. So you did talk to someone about it?

25 A. There had been a series of communications that approved this

1 invoice.

2 Q. Mr. Cortes, do you remember testifying in front of the grand  
3 jury?

4 A. I do.

5 Q. You were under oath then, right?

6 A. That is correct.

7 Q. And there was a transcription made, wasn't there?

8 A. Yes.

9 MR. PILGER: Objection, Your Honor. If he wants to  
10 impeach him, I need to know what he's impeaching him on.

11 MR. BINNALL: Page 64 of his grand jury testimony.

12 THE COURT: The objection is overruled. You have a  
13 right to know page and line and that's it.

14 BY MR. BINNALL:

15 Q. Mr. Cortes, on the screen do you see page 64 of your  
16 testimony?

17 A. Yes.

18 Q. And that was on July 22nd of 2014, correct?

19 A. I'm sorry?

20 Q. It was about July the 22nd, 2014, correct?

21 A. Correct.

22 Q. And in this part you are talking about this specific bill,  
23 the bill for \$38,000 and change, correct?

24 A. I would need to see more of that.

25 Q. I tell you what, I'll let you refresh your recollection a

1 little more here real quick.

2 This is page 63. Why don't you go ahead and read  
3 this. I will zoom out. Let me know if this refreshes your  
4 recollection.

5 A. It does.

6 Q. Is does refresh your recollection?

7 A. Yes.

8 Q. So you were talking about this invoice; is that correct?

9 A. That is correct.

10 Q. And when you were under oath and you testified to the grand  
11 jury, you told the grand jury when you were asked, Have you ever  
12 talked with anybody about this or raised any questions about  
13 this, you answered, Not about this invoice. General case on  
14 invoices like this were that Jesse, John, Dimitri and several  
15 other of the employees would make political decisions, and I was  
16 not involved in those. So the only time I know about expenses  
17 is when they send invoices.

18 Correct?

19 A. That is what it says, yes.

20 Q. Thank you.

21 Do you know that part of that invoice that was on  
22 February 8th that we talked about was for the rental of audio  
23 video equipment?

24 A. I do not specifically know.

25 Q. Do you know if part of the invoice was specifically to pay

1 for rentals of audio video equipment?

2 A. I don't recall. I would need to see the invoice to refresh  
3 my recollection.

4 Q. You didn't raise -- now, I'm sorry, there was a second  
5 invoice in -- well, there's a number of invoices that you talked  
6 to the government about, right?

7 A. Yes.

8 Q. All right. Now, the second invoice, you think you might  
9 have asked Mr. Kesari about the invoice; isn't that right?

10 A. Which invoice are you referring to?

11 Q. I'm talking about the March invoice, the one after the  
12 \$38,000 one, the first eight thousand dollar and change invoice,  
13 the 8850 I believe.

14 A. The invoice came from Dimitri Kesari.

15 Q. And you think you might have asked Mr. Kesari about that  
16 invoice, correct?

17 A. I think I may have, yes.

18 Q. And you don't remember what he said the invoice was for, do  
19 you?

20 A. Not specifically, no. The invoice already had production  
21 services on it.

22 Q. I understand, but you don't -- you remember asking  
23 Mr. Kesari, that you might have asked Mr. Kesari about it, but  
24 you don't remember anything that he said about it; isn't that  
25 right?

1 A. That is correct. Well, not exactly, sir, not at the time.

2 I don't recall that specific conversation. At some point

3 throughout the entire series of invoices I do recall the word

4 "video" being used from Mr. Kesari, but I do not recall when and

5 where that conversation took place.

6 Q. You never told the grand jury that, did you?

7 A. No, I did not.

8 Q. In fact, the first time you remember talking with -- telling

9 anyone that is when you met with the government at the end of

10 September; isn't that right?

11 A. My memory had been refreshed, that is correct.

12 Q. Okay. We'll come back to that, too; but you met with the

13 government at the end of September of this year, 2015, correct?

14 A. That is correct.

15 Q. And the testimony you gave the grand jury was July 22, 2014,

16 correct?

17 A. That's correct.

18 Q. And would you agree with me that July of 2014 is a little

19 bit closer to the time when these invoices were going forward

20 than September of 2015?

21 A. That is correct.

22 Q. You didn't raise any other concerns about the February 2012

23 invoice from ICT, did you?

24 A. Which one again, sir?

25 Q. You didn't raise any other concerns at all about the \$38,000

1 invoice, isn't that correct, the first one?

2 A. No, I didn't.

3 Q. And then you didn't raise any other concerns about the March  
4 invoice, the second one, did you?

5 A. The issues I raised and concerns were from August 2013, I  
6 raised the issue there.

7 Q. And so until August 2013, you didn't raise any other  
8 concerns about the March invoice, right?

9 A. Correct.

10 Q. You didn't raise any other concerns about the April invoice?

11 A. Correct.

12 Q. You didn't raise any concerns about the May invoice?

13 A. Correct.

14 Q. And you don't remember anything that Mr. Kesari might have  
15 said to you about the June invoice; isn't that correct?

16 A. Other than the e-mails, that's correct.

17 Q. And those e-mails weren't to you, were they?

18 A. There was an e-mail sent to me from Dimitri to me, yes.

19 Q. Okay. You remember Dimitri sending you the invoice about  
20 the payment, and that's all you remember about that, correct?

21 A. From what I was showed, yes, that's correct.

22 Q. And on those invoices from ICT, there's an e-mail address  
23 for ICT, correct?

24 A. I believe so. I can -- if you can refresh my memory.

25 Q. Absolutely. We're back at Exhibit 77, which is already in

1 evidence.

2 Now, Mr. Cortes, this is a forward from Mr. Kesari to  
3 you, correct?

4 A. Yes, the bottom, yes -- or middle.

5 Q. All right. And then the forwarded part has the e-mail from  
6 Sonny Izon, correct?

7 A. That is correct.

8 Q. All right. Now, you had Mr. Izon -- and Mr. Izon was, to  
9 your knowledge, a part of ICT, right?

10 A. Not to my knowledge, unless he was on the ICT,  
11 Incorporation. My assumption was that this e-mail was coming  
12 from ICT and --

13 Q. Okay. Let me ask it to you this way. The invoices that  
14 were attached from Mr. Kesari, they were all coming from  
15 Mr. Izon, right?

16 A. They were being forwarded from Dimitri to me.

17 Q. They were being forwarded from Dimitri to you and they all  
18 included e-mails from Mr. Izon, correct?

19 A. Most of them, yes.

20 Q. And so you had an e-mail address for Mr. Izon, didn't you?

21 A. The e-mail address was on these e-mails.

22 Q. And you never e-mailed him a check with those invoices, did  
23 you?

24 A. Not to my recollection.

25 Q. Now, Mr. Cortes --

1 MR. BINNALL: Exhibit 89, that is in evidence,  
2 correct?

3 THE CLERK: Yes.

4 BY MR. BINNALL:

5 Q. You remember yesterday that you talked about Exhibit 89 with  
6 the government?

7 A. Can you make it smaller, sir?

8 Q. Yes.

9 A. Yes.

10 Q. Okay. Mr. Cortes, this is an e-mail on May the 2nd of 2012  
11 from -- the top one is from Dimitri forwarding an invoice to  
12 you, correct? I'm sorry, Mr. Kesari forwarding the invoice to  
13 you; is that correct?

14 A. That is correct.

15 Q. The e-mail he is forwarding is again from sonnyizon@aol.com,  
16 correct?

17 A. Yes, from Sonny Izon.

18 Q. And then below that there's a phone number; is that right?

19 A. That is correct.

20 Q. You never called that phone number?

21 A. That is correct, to the best of my recollection.

22 Q. To the best of your recollection, you don't ever remember  
23 checking with Mr. Izon as to what these payments are for; isn't  
24 that right?

25 A. Regarding what the payments were for, no. I remember, if

1 anything, verifying routing numbers that were incorrect.

2 Q. So you verified with Mr. Izon routing numbers that were  
3 incorrect, but you don't remember verifying with him what the  
4 payments were for and how they should be classified?

5 A. No, I don't remember contacting Mr. Izon. I remember  
6 contacting somebody about the routing numbers. I don't recall  
7 who.

8 Q. So you remember talking to somebody about the routing  
9 numbers?

10 A. Correct.

11 Q. And then you didn't verify what those expenses were for at  
12 that point?

13 A. The invoices stated production services.

14 Q. I'm sorry?

15 A. The invoices stated production services.

16 Q. All right. And going back to Exhibit 59, which is in  
17 evidence, and that is -- all right. This is Government's  
18 Exhibit 59, which is an e-mail from you to Mr. Tate and  
19 Mr. Benton about the reports from the Ron Paul 2012 Presidential  
20 Campaign Committee, correct?

21 A. That is correct.

22 Q. First of all, Mr. Kesari isn't on this, correct?

23 A. That's correct.

24 Q. And it wasn't common for you to send him any of these  
25 reports?

1 A. I'm sorry?

2 Q. And you didn't commonly send him these reports, did you?

3 A. I'm sorry, I have a hard time hearing.

4 Q. I'm sorry, sir. You didn't commonly send him those reports?

5 A. Not commonly, not regularly. It was on a case-by-case basis  
6 if people asked for them.

7 Q. And you certainly didn't send him this one, right?

8 A. I did not send this one to him according to this e-mail,  
9 this e-mail specifically.

10 Q. All right. Now, there is a number of different subjects for  
11 how these -- is it fair to call them balance sheets?

12 A. I'm sorry; what was that question?

13 Q. We'll just call them statements that you were forwarding on.  
14 Do you understand what I'm talking about if I refer to these as  
15 statements?

16 A. That was a --

17 MR. PILGER: Your Honor, the government objects. I  
18 don't understand what he's referring to, which exhibit, which  
19 part.

20 BY MR. BINNALL:

21 Q. Okay. It says that these are transaction detail by account  
22 is the header.

23 Do you see that?

24 A. It's a transaction detail by account.

25 Q. Okay. And then --

1 MR. BINNALL: Oh, thank you. This is in evidence. We  
2 can show it to the jury.

3 THE CLERK: Okay.

4 BY MR. BINNALL:

5 Q. All right. Now, Mr. Cortes, this says 60110 audiovisual  
6 expenses, right?

7 A. That is correct.

8 Q. All right. That doesn't say production services, right?

9 A. Production services meant audiovisual expenses when it came  
10 from audiovisual companies such as ICT was purporting to send.

11 Q. I understand. But it doesn't say production services  
12 anywhere there, right?

13 A. No, it doesn't say that.

14 Q. This is also in evidence. And this is 60305, media  
15 expenses, right?

16 A. That is correct.

17 Q. All right. You didn't choose to label the invoices from ICT  
18 as media expenses, though, did you?

19 A. No, I did not.

20 Q. And this says printing, copying, 60379?

21 A. Right.

22 Q. That doesn't say production services?

23 A. That is correct.

24 Q. But you didn't put it as printing and copying either?

25 A. That is correct.

1 Q. That wasn't your choice as to how to actually code these  
2 invoices, right?

3 A. I'm sorry.

4 Q. That wasn't your choice as to how to code these invoices,  
5 right?

6 A. That is correct.

7 Q. And, Mr. Cortes, this is 60390, campaign merchandise, right?

8 A. That is right.

9 Q. And it doesn't say production services there either, right?

10 A. It doesn't.

11 Q. But you didn't decide to characterize it as campaign  
12 merchandise either; is that right?

13 A. That is right.

14 Q. It was common for the campaign to do business with -- or to  
15 have vendors that were small businesses, right?

16 A. It was not uncommon.

17 Q. And sometimes there's appropriations or other legal  
18 entities, correct?

19 A. Correct.

20 Q. And it wasn't uncommon for a particular consultant to be  
21 paid through one of those companies, was it?

22 A. I'm sorry?

23 Q. It wasn't uncommon for one of the campaign consultants to be  
24 paid through one of those companies, was it?

25 A. If they were campaign consultants, we would pay them

1 directly. If they would have been paid by the other companies,  
2 I would not be aware of it.

3 Q. Let me give you an example. You know who Mike Rothfeld is,  
4 right?

5 A. I do.

6 Q. Okay. Mike Rothfeld, he was paid by a company called Saber  
7 Communications, wasn't he?

8 A. Saber Communications was paid. If Mike Rothfeld received  
9 money from Saber Communications, I don't know.

10 Q. Excellent point. Thank you, sir. I appreciate that.

11 During the course of the campaign, it wasn't unusual  
12 to hold invoices before invoices were paid, right?

13 A. I'm sorry, can you repeat the question?

14 Q. During the period of the campaign, sometimes the campaign  
15 had more cash on hand than at other times, right?

16 A. Yes, that's correct.

17 Q. And it wasn't unusual to hold payment of invoices until  
18 there was more cash on hand, right?

19 A. Depending on several factors. It would depend on if we had  
20 money for it or we were expecting other expenses.

21 Q. And so there were -- the answer to my question is yes, it  
22 wasn't unusual to actually hold payments until there was more  
23 money in the campaign?

24 A. Correct.

25 Q. Thank you.

1           And, in fact, it was also common sometimes at the end  
2 of an accuracy reporting period, it was not uncommon to hold  
3 payments until after the reporting period in order to  
4 essentially make it appear that the campaign had more cash on  
5 hand?

6   A.   No, that is incorrect.

7   Q.   The campaign never -- wasn't concerned about how much cash  
8 on hand would be shown at the end of a quarter?

9   A.   Our main concern was making sure that all expenses incurred  
10 during the FEC reporting period would be reported to the FEC and  
11 paid for.

12   Q.   And it's also fair to say that you weren't the one who was  
13 making the final decisions on whether or not to pay an invoice?

14   A.   That is correct.

15   Q.   You were on the finance and compliance side, right?

16   A.   Yes.

17   Q.   Okay. So then if somebody on the political side of the  
18 campaign like Mr. Tate, for instance, didn't approve an invoice,  
19 for whatever reason he might have, the invoice didn't get paid,  
20 right?

21   A.   Right.

22   Q.   Now, you did receive the expense reports about Mr. Kesari's  
23 expenses from time to time, right?

24   A.   I received expense reimbursement forms, yes.

25   Q.   And those generally didn't come directly from him, did they;

1 they came from Jared Gamble?

2 A. Generally they would be submitted by Jared.

3 Q. And Jared was Dimitri's assistant on the campaign, right?

4 A. That's right.

5 Q. And you knew Jared was doing Mr. Kesari's expenses and  
6 coding them, right?

7 A. He was submitting them. I don't know if he was the one  
8 coding them.

9 Q. All right. And not every consultant on the campaign had an  
10 NDA, right?

11 A. Consultants or companies that we hired to pay we provided  
12 nondisclosure agreements to.

13 Q. All right. They didn't all do nondisclosure agreements, did  
14 they?

15 A. Those that were brought to my attention were given  
16 nondisclosure agreements.

17 Q. But only those that were brought to your attention, right?

18 A. That's correct.

19 Q. So, for instance, you don't know -- maybe you do. Do you  
20 know if Kirk Shelley had a nondisclosure agreement?

21 A. I don't believe he had one. I believe the company that he  
22 worked for did.

23 Q. But Mr. Shelley himself didn't have a nondisclosure  
24 agreement?

25 A. I don't recall. I don't remember.

1 Q. And do you remember for sure if his company had one?

2 A. His company should have one, but I don't remember for sure.

3 Q. Because nobody brought it to your attention, right?

4 A. It -- they did bring to my attention that they needed one.

5 Q. All right. Now, Mr. Cortes, there was an employee handbook  
6 for the Paul Campaign, right?

7 A. That is correct.

8 Q. And you would commonly distribute that handbook to everyone  
9 at the Paul Campaign; isn't that right?

10 A. All employees, yes.

11 Q. And you don't recall anything being in that handbook  
12 covering anything regarding Federal Election Commission  
13 requirements; isn't that right?

14 A. I would need to be refreshed, I would need to be refreshed  
15 with the handbook.

16 Q. Well, let me refresh your recollection from what you told  
17 the grand jury.

18 MR. BINNALL: This is actually going to be on two  
19 pages, and this is actually just to refresh his recollection.

20 Thank you.

21 BY MR. BINNALL:

22 Q. All right. Does this look like your grand jury testimony,  
23 sir?

24 A. Yes.

25 MR. KRAVIS: Counsel, page number?

1 MR. BINNALL: This is page No. 97.

2 BY MR. BINNALL:

3 Q. Let me know when you're done reading that and I can turn the  
4 page over.

5 A. Okay. Yes.

6 Q. All right. Is your recollection refreshed now?

7 A. Yes.

8 Q. You don't recall anything in the handbook covering anything  
9 regarding Federal Election Commission requirements, correct?

10 A. No, I do not recall.

11 Q. All right. Now, one of your duties on the campaign was to  
12 kind of serve as an intermediary with the campaign's lawyers,  
13 right?

14 A. That is correct.

15 Q. And you actually sent out an e-mail to all employees  
16 advising them not to go directly to the campaign lawyers with  
17 their legal questions; isn't that right?

18 A. That is correct.

19 Q. And you told them to go directly to you?

20 A. That is correct.

21 Q. Now, Mr. Cortes, you met with the prosecutors and the FBI a  
22 couple of times in this case, didn't you?

23 A. I met with them once for -- and in order to be here in the  
24 courtroom, correct.

25 Q. I'll just be a little more specific. You met with them

1 before you went in and talked to the grand jury, right?

2 A. Yes, it is.

3 Q. And then you met again with them -- and we'll talk about  
4 this a little bit more -- late last month to get ready for this  
5 trial, too, right?

6 A. That's correct.

7 Q. And you were represented by different lawyers -- I'm not  
8 going to ask you anything you talked about, but you were  
9 represented by different lawyers in each of those meetings,  
10 correct?

11 A. That's correct.

12 Q. On the first occasion you were represented by a gentleman by  
13 the name of David Warrington, right?

14 A. That's correct.

15 Q. And on the first occasion Mr. Warrington --

16 MR. PILGER: Objection; getting into what counsel had  
17 to say.

18 MR. BINNALL: Your Honor, this goes directly to his  
19 bias, not being offered for the truth of the matter asserted.  
20 Also goes to his credibility.

21 THE COURT: Overruled.

22 BY MR. BINNALL:

23 Q. On the first occasion Mr. Warrington got into a fight with  
24 Mr. Pilger because he said Mr. Pilger was trying to put words in  
25 your mouth?

1 MR. PILGER: Objection.

2 BY MR. BINNALL:

3 Q. Isn't that correct?

4 MR. PILGER: Objection.

5 THE COURT: The objection is sustained.

6 BY MR. BINNALL:

7 Q. All right. I'll put it this way.

8 MR. BINNALL: Your Honor, I would like to be heard on  
9 this if possible actually.

10 THE COURT: I know what you're doing, but that  
11 question was just objectionable.

12 MR. BINNALL: Okay.

13 BY MR. BINNALL:

14 Q. Was there any disagreement between your lawyer and  
15 Mr. Pilger --

16 MR. PILGER: Objection to what the lawyer says.

17 THE COURT: Yeah. Ask him for what he was thinking,  
18 not what Mr. Warrington was thinking.

19 BY MR. BINNALL:

20 Q. All right. At that meeting Mr. Pilger was asking you very  
21 pointed and direct questions; isn't that correct?

22 A. He was asking me questions.

23 Q. And when you wouldn't say -- they were pointed and they were  
24 direct, weren't they?

25 A. Some would argue that they would be. I didn't consider them

1 unfair.

2 Q. And if he -- if you said something that he disagreed with,  
3 he would be pretty aggressive at that point about trying to get  
4 you to answer the way he wanted you to answer; isn't that right?

5 MR. PILGER: Objection to anything that the witness  
6 knows and has to say about the events.

7 THE COURT: Overruled.

8 Answer the question.

9 A. Can you repeat the question?

10 BY MR. BINNALL:

11 Q. At that meeting Mr. Pilger would become -- would -- if you  
12 gave Mr. Pilger an answer and he -- there was times that you  
13 gave Mr. Pilger an answer and he was not comfortable with the  
14 answer; isn't that correct?

15 A. I'm not sure what may have made Mr. Pilger uncomfortable.

16 Q. Okay. But he seemed like he wanted a different answer;  
17 isn't that right?

18 A. He asked different questions.

19 Q. And he asked different questions because he seemed like he  
20 didn't ask -- he didn't like the answer to your specific  
21 question; isn't that right?

22 A. I don't know why he would ask more, but he asked more.

23 Q. All right. And at times he seemed agitated about your  
24 answers, didn't he?

25 A. I don't know whether Mr. Pilger was agitated.

1 Q. I didn't ask you whether he was. I asked you if he seemed  
2 agitated about your answers.

3 A. Again, I don't know what makes Mr. Pilger agitated, so I  
4 don't know if that is Mr. Pilger agitated or not.

5 Q. All right. On the second occasion you had a different  
6 lawyer, right?

7 A. That is correct.

8 Q. And on that occasion Mr. Pilger tried to get you to answer  
9 questions and told you that the Paul Campaign had waived the  
10 attorney-client privilege; isn't that correct?

11 A. I'm sorry?

12 Q. Mr. Pilger told you that the Paul Campaign, that the Ron  
13 Paul for President Campaign had waived the attorney-client  
14 privilege when he was asking you those questions?

15 MR. PILGER: Objection. The government proffers this  
16 was a conversation between counsel and it's objectionable, and  
17 Mr. Binnall knows that.

18 THE COURT: The objection is sustained. I don't get  
19 what the waiver of their privilege matters. He's got his own.

20 MR. BINNALL: Your Honor, the relevance here is that  
21 Mr. Pilger is being very aggressive --

22 THE COURT: No, no. Hold it. You can ask questions  
23 about that all you want. The question was about the Ron Paul  
24 Campaign waiving the attorney-client privilege, and I find that  
25 that's irrelevant.

1 MR. BINNALL: I understand that.

2 BY MR. BINNALL:

3 Q. Then I'll ask this. There came a time when your attorney  
4 during the questioning asked you to go outside of the room with  
5 him; isn't that right?

6 A. That is correct.

7 Q. And when you came back in, you didn't answer the  
8 government's questions about what you were previously talking to  
9 them about; isn't that correct?

10 A. I answered the question.

11 Q. You answered all of the questions?

12 A. I answered the question with an answer.

13 Q. With an answer?

14 A. Yes.

15 Q. And that answer was what? Do you remember what your answer  
16 was?

17 A. That I would not answer it.

18 MR. BINNALL: Thank you, sir.

19 One moment, Your Honor. I think I might be done.

20 (Pause.)

21 MR. BINNALL: No further questions.

22 THE COURT: Mr. Pilger?

23 MR. PILGER: Yes, Your Honor.

24

25

1 REDIRECT EXAMINATION

2 BY MR. PILGER:

3 Q. Mr. Cortes, I think you said to Mr. Binnall that when you  
4 met with the government, you thought you were treated fairly; is  
5 that right?

6 A. That is correct.

7 Q. Did anyone tell you what to say?

8 A. No, no.

9 Q. And as a part of that, did anyone ever ask you to say  
10 anything untruthful?

11 A. That isn't -- I'm sorry. Can you rephrase the question or  
12 repeat it?

13 Q. When you met with the government, what were you told about  
14 whether you should tell the truth or not?

15 A. To tell the truth.

16 Q. Now, there's a number of topics here. I think we'll start  
17 with who brought things to your attention. You were talking to  
18 Mr. Binnall about who brought certain things to your attention.  
19 Who brought the ICT invoices to your attention?

20 A. Dimitri Kesari.

21 Q. And that was unusual because I think you told Mr. Binnall  
22 that Dimitri Kesari usually brought expenses to you through his  
23 assistant, Jared Gamble, right?

24 A. That is correct.

25 Q. So this was something unusual for Dimitri Kesari to bring

1 the ICT invoices directly to your attention?

2 A. Yes.

3 Q. I'm not sure which counsel but somebody asked you about  
4 training with regard to coding. Was coding particularly  
5 difficult once you had the coding list?

6 A. No, it was not.

7 Q. I mean, in fairness, sometimes you have a lot of things to  
8 code and that would be difficult, right?

9 A. Correct.

10 Q. But the actual coding determinations, you made those from  
11 the face of the invoices, right?

12 A. Yes, unless it was provided by the employees themselves.

13 Q. And this wasn't your first rodeo, was it?

14 A. As far as a campaign?

15 Q. You worked on the 2008 campaign as well?

16 A. That is correct.

17 Q. And you were the controller in that one, correct?

18 A. Yes, that is correct.

19 Q. You were also working in 2012 dealing with the same types of  
20 issues?

21 A. That's correct.

22 Q. The ICT invoices that came to you, were they hard to code?

23 A. No, they were not.

24 Q. Mr. Binnall was talking to you about how Mr. Izon's phone  
25 number was contained in some of the e-mails that came to you.

1 Do you remember that?

2 A. Yes.

3 Q. Was it your job to call up vendors who had sent you invoices  
4 and investigate the invoices in some way?

5 A. If the banking information -- if information on it was  
6 incorrect.

7 Q. And the information being incorrect, you would be concerned  
8 only with the banking and payment information or with something  
9 else?

10 MR. HOWARD: Objection, Your Honor. He is leading.

11 THE COURT: Sustained.

12 Pose a new question.

13 BY MR. PILGER:

14 Q. What kinds of things would you be concerned with if you had  
15 to make a call?

16 A. Normally it would be if the amount was off or the banking  
17 information was wrong, if a wire had kicked back or the e-mail  
18 was missing information.

19 Q. If on the face of an invoice the numbers did not conflict  
20 with something else you had, would you have a reason in the  
21 normal course of your duties to contact the vendor about the  
22 amount?

23 A. No, not at all.

24 Q. If the payment went through in the form of a wire or a check  
25 or otherwise, would you have any reason to contact the vendor

1 about the payment method?

2 A. Sometimes if we requested to let the vendor know if the wire  
3 had gone through.

4 Q. And aside from dealing with vendors about payments or with  
5 things that happened wrong on the face of the invoice, was it  
6 your job to investigate invoices?

7 A. It was not my job to investigate invoices.

8 Q. Was it Ms. Pyeatt's job to investigate invoices?

9 A. No, it was not.

10 Q. Was it Ms. Watts' job to investigate invoices?

11 A. No, it was not.

12 Q. In your role as controller, did you rely on the campaign  
13 people who submitted the invoices to know that they were valid?

14 A. Yes.

15 Q. Mr. Binnall spent some time with you on the grand jury  
16 transcript, and he started off doing that by asking about  
17 Government's Exhibit 77 and one of the ICT invoices and whether  
18 it had been previously approved.

19 Do you recall that?

20 A. I recall it.

21 Q. Where did all of the ICT invoices come to you from?

22 A. From Dimitri Kesari.

23 MR. HOWARD: Your Honor, asked and answered. We've  
24 been through this.

25 THE COURT: Overruled.

1 A. From Dimitri Kesari.

2 BY MR. PILGER:

3 Q. And what was Dimitri Kesari's role in the campaign?

4 A. He was the deputy campaign manager.

5 Q. Mr. Binnall asked you about Exhibit 77, if Dimitri Kesari  
6 had provided the code that you should use. And he didn't, did  
7 he?

8 A. No, he did not.

9 Q. Whose job was it to put the coding on it?

10 A. If the employee did not provide it, then it was mine.

11 Q. And the decision on how to code was based on what, what  
12 information?

13 A. The decision to code was based on the information on the  
14 invoices.

15 Q. Who did you get the invoices from for ICT?

16 A. Dimitri Kesari.

17 Q. In the e-mails that Dimitri Kesari sent to you concerning  
18 ICT, were there subject lines about production services?

19 A. Some of them had it, yes.

20 Q. Some of those e-mails said production services in the  
21 subject line that Dimitri Kesari sent you, correct?

22 A. That is correct.

23 Q. And was that term "production services" part of your  
24 decision on whether to code the expense one way or another?

25 A. Yes.

1 Q. Mr. Binnall talked to you about how Ms. Watts and Ms. Pyeatt  
2 worked in Texas and you were based in Virginia, right?

3 A. Correct.

4 Q. And this was a national campaign? The Ron Paul Campaign was  
5 a national presidential campaign, right?

6 A. Yes.

7 Q. So your office, you and Ms. Koerber, you're in Virginia, and  
8 the treasurer and Ms. Watts, they're in Texas, right?

9 A. Correct.

10 Q. And so as information moves in to the finance operation in  
11 Virginia and out to Texas, who ultimately are you and the people  
12 in Texas relying on about the validity of invoices you receive?

13 MR. BINNALL: Your Honor, I object if he's going to  
14 testify as to what other people are relying on.

15 THE COURT: Sustained.

16 BY MR. PILGER:

17 Q. What sources would you or the people in Texas rely on?

18 MR. BINNALL: Same objection.

19 THE COURT: Overruled.

20 Answer the question.

21 A. I'm sorry, could you repeat it?

22 BY MR. PILGER:

23 Q. What source was available to you and then the people in  
24 Texas to rely on about the nature of the expenses?

25 A. The invoices and the employees who submitted them.

1 Q. So Mr. Howard got up and talked to you about Exhibit 76.  
2 Let's put that back up, Exhibit 76, which is in evidence.

3 And Exhibit 76 has Dimitri Kesari saying something to  
4 you about who approved the expense, right?

5 A. Correct.

6 Q. And who approved the expense?

7 MR. HOWARD: Your Honor, this is redirect. This is  
8 all asked and answered.

9 THE COURT: Overruled.

10 MR. HOWARD: This has all been gone over.

11 THE COURT: Overruled. This goes to the scope of the  
12 cross-examination.

13 MR. BINNALL: I object, Your Honor.

14 THE COURT: Okay. Pose a new question.

15 BY MR. PILGER:

16 Q. You made a statement in the e-mail -- I'm sorry, Dimitri  
17 Kesari made a statement in the e-mail concerning who had  
18 approved the expense, correct?

19 A. Correct.

20 Q. And Mr. Howard asked you about that, correct?

21 A. Correct.

22 Q. And you said you don't know one way or the other whether or  
23 not Mr. Benton actually approved that, right?

24 A. Approved this specific one, no.

25 Q. And you don't? You only know what Mr. Kesari told you,

1 correct?

2 A. Correct.

3 Q. If Mr. Benton did approve an expense to ICT, you don't know  
4 about that?

5 MR. HOWARD: Objection, Your Honor.

6 THE COURT: Overruled.

7 Answer the question.

8 A. This specific e-mail, no.

9 BY MR. PILGER:

10 Q. If it ever happened, you were not in the loop, correct?

11 A. Unless it was sent to me directly, that is correct.

12 Q. Okay. You do not recall him ever doing that? In fairness  
13 to him, you did not get from Mr. Benton directly an approval for  
14 an ICT invoice, correct?

15 A. I believe for the first one I did. I would need to be  
16 refreshed on that. But for the invoices for \$8,850, that is  
17 correct.

18 Q. You do know, though, that sometimes Mr. Benton did approve  
19 expenses? You said that to Mr. Howard, right?

20 A. Yes.

21 Q. And when he did he used an invoice; is that what you're  
22 talking about?

23 A. Correct, sometimes he did.

24 Q. Okay. Sometimes he would use an invoice.

25 Now, as to the ICT invoices, after they became a

1 regular payment, after you -- there was a time where you noticed  
2 they were turned in regularly; is that correct?

3 A. Correct, every month.

4 Q. And did that cause you to do something?

5 A. At the time nothing out of the ordinary in the sense that I  
6 would send them up for approval.

7 Q. So you would send them up for approval. When would you send  
8 them up for approval?

9 A. Every time.

10 Q. Okay. And who did you send them to?

11 A. John Tate.

12 Q. And you included the messages or did you not include the  
13 messages that had come to you from Dimitri Kesari?

14 A. Sometimes they would be included and forwarded.

15 Q. Now, Mr. Binnall talked to you about never having raised  
16 issues, and I believe you said there was a time where you did  
17 raise issues concerning the ICT invoices. To be clear, when did  
18 you raise that issue?

19 A. Regarding these invoices, I raised an issue with one of them  
20 in the sense that I found it to be a repeat invoice of sorts;  
21 but that would have been June of 2012 and then the other time I  
22 raised the issue was in August 2013.

23 Q. So in June 2012 you raised the issue of an invoice and  
24 whether it was a repeat; is that what you said?

25 A. Regarding it being a repeat, yes.

1 Q. And did that or did that not have to do with whether it was  
2 supposed to be the last one?

3 A. That is correct.

4 Q. And you may have said it. I didn't hear you. Who did you  
5 raise that with?

6 A. That would be with John Tate who needed to approve it.

7 Q. Thank you.

8 And then later there was a time in 2013 that you  
9 raised issues with the ICT invoices, right?

10 A. That is correct.

11 Q. And how did you do that?

12 A. I compiled a list of e-mails and irregular invoices that I  
13 found to be irregular with concern to the news articles I had  
14 seen and sent them to Jesse, Lori, and Deana.

15 Q. And did Mr. Benton or anyone else respond to that e-mail and  
16 say, we don't know what this is about?

17 A. Responding with those specific words, no.

18 Q. Did Mr. Benton respond with anything other than the e-mail  
19 that we saw saying thank you, Fernando?

20 A. Not to me.

21 Q. When you sent those to him, did you send them to him because  
22 you had a particular concern that he should see them?

23 A. Yes.

24 Q. And he did not write back expressing any concern about them,  
25 did he?

1 A. He did not write anything other than thank you, thanks,  
2 Fernando.

3 MR. PILGER: One moment, Your Honor.

4 (Pause.)

5 BY MR. PILGER:

6 Q. Counsel were asking you about when people get a lot of  
7 e-mail it's hard to remember it or a lot of invoices.

8 Do you remember that?

9 A. Yes.

10 Q. Sometimes things happen, though, that do make you focus on  
11 and remember particular invoices, right?

12 A. That is correct.

13 Q. Did something happen in August of 2013 that made you focus  
14 on some particular invoices?

15 A. Yes.

16 Q. What was that?

17 A. News articles came out with allegations that the campaign  
18 had --

19 MR. HOWARD: Objection, Your Honor.

20 THE COURT: Sustained.

21 BY MR. PILGER:

22 Q. And did you sit down, and as both counsel -- or as  
23 Mr. Binnall talked to you about, did you sit down with the FBI  
24 and the government and talk about particular invoices, not what  
25 was said, but just did you sit down and talk about it?

1 A. Yes.

2 Q. And did you go over a lot of particular invoices?

3 A. Yes.

4 Q. And did that focus your attention on those invoices?

5 A. Yes.

6 Q. And did you remember them as you talked about them?

7 A. Yes.

8 MR. PILGER: Nothing further, Your Honor.

9 THE COURT: Mr. Howard?

10 MR. HOWARD: Yes, Your Honor.

11 RECROSS-EXAMINATION

12 BY MR. HOWARD:

13 Q. Mr. Cortes, August 2013, the date you were just talking  
14 about --

15 A. Yes.

16 Q. -- you read some articles?

17 A. Yes.

18 Q. About this investigation?

19 A. Not about the investigation. About an allegation.

20 Q. An allegation. Did you know that there was an investigation  
21 going on?

22 A. I did not.

23 Q. Did you suspect there was an investigation going on?

24 A. I did not.

25 Q. You knew there were problems?

1 A. Define problems.

2 Q. Well, did you know that there was an issue that was severe  
3 enough that you had to e-mail Mr. Benton? You did e-mail  
4 Mr. Benton, didn't you?

5 A. I e-mailed Mr. Benton.

6 Q. And you wanted to make sure that he saw some invoices that  
7 you were certain he had approved; isn't that correct?

8 A. I was not certain he had approved those. I was certain he  
9 had not been involved in the e-mail chain.

10 Q. And wouldn't you agree, sir -- do you know if he was advised  
11 by anybody not to talk to people about this?

12 A. I would not know that.

13 Q. It wouldn't surprise you if he was, would it?

14 A. If -- I wouldn't know.

15 MR. HOWARD: Okay. All right.

16 Nothing else, Your Honor.

17 THE COURT: Mr. Binnall, anything else?

18 MR. BINNALL: No, Your Honor.

19 THE COURT: Anything else?

20 MR. PILGER: No, Your Honor.

21 May the witness be finally excused?

22 THE COURT: Yes. Thank you. You're excused.

23 (Witness excused.)

24 THE COURT: Call your next witness, please.

25 MR. KRAVIS: The government calls FBI Special Agent

1 Karen LoStracco.

2 THE COURT: Come forward, please. Stop there to be  
3 sworn in.

4 THE CLERK: Please raise your right hand and say I do.

5 KAREN LOSTRACCO, GOVERNMENT'S WITNESS, SWORN

6 THE CLERK: Please be seated.

7 DIRECT EXAMINATION

8 BY MR. KRAVIS:

9 Q. Good morning.

10 A. Good morning.

11 Q. What is your name?

12 A. Karen LoStracco.

13 Q. How do you spell your last name?

14 A. L-O capital S-T-R-A-C-C-O.

15 Q. What do you do for a living?

16 A. I'm a special agent with the FBI.

17 Q. How long have you been a special agent with the FBI?

18 A. I joined in March 2004.

19 Q. And what is your current assignment with the FBI?

20 A. I'm a supervisory special agent in the Boston field office  
21 and associate division counsel there.

22 Q. How about in 2013 and 2014, what was your assignment then?

23 A. I was a special agent assigned to the public corruption and  
24 government fraud squad in the Washington field office.

25 Q. And in the course of your work with the public corruption

1 squad, did you participate in an investigation into some  
2 allegations regarding payments made by the Ron Paul 2012  
3 Presidential Campaign?

4 A. Yes.

5 Q. What was your role in that investigation?

6 A. I was the case agent in that investigation.

7 Q. And what were your responsibilities as the case agent in  
8 that investigation?

9 A. As a case agent, I took the lead on the investigation, which  
10 means that I would have received the evidence pertaining to the  
11 investigation, interviewed witnesses. Then that would lead to  
12 talking to the government prosecutors about the investigation  
13 and how it was going.

14 Q. When did that investigation begin, approximately?

15 A. Approximately late winter, early spring of 2013.

16 Q. Now, did there come a time in your role as the case agent on  
17 this investigation when you received some documents from the Ron  
18 Paul 2012 Presidential Campaign in response to a grand jury  
19 subpoena?

20 A. Yes.

21 Q. Just briefly, for the benefit of the jury, what is a grand  
22 jury subpoena?

23 A. Well, a grand jury can issue a document asking an individual  
24 or a business, for example, to come in and testify before them  
25 to provide evidence. It can also request documents from that

1 individual or company.

2 Q. The grand jury subpoena that was sent in this investigation  
3 to the Ron Paul Campaign, was that a subpoena for testimony or  
4 it was a subpoena for documents?

5 A. That was for documents.

6 Q. And did you receive documents from the campaign in response  
7 to the subpoena?

8 A. I did.

9 Q. Did you have an opportunity as the case agent to review  
10 those documents?

11 A. I did.

12 Q. Now, did there also come a time during the course of this  
13 investigation when the FBI received documents in response to a  
14 grand jury subpoena of the defendant Jesse Benton?

15 A. Yes.

16 Q. By the way, do you see Mr. Benton here in the courtroom  
17 today?

18 A. I do.

19 Q. Would you identify him, please, by where he's seated and  
20 what he's wearing?

21 A. Yes. Mr. Benton is sitting --

22 MR. HOWARD: Your Honor, we'll stipulate it's  
23 Mr. Benton.

24 THE COURT: No, you can do it if you want unless you  
25 want to accept the stipulation.

1 MR. KRAVIS: I would ask the identification in court  
2 of the defendant Jesse Benton.

3 THE COURT: Yes. He was going to stipulate that's the  
4 same Jesse Benton that we're talking about here.

5 MR. KRAVIS: Yes.

6 BY MR. KRAVIS:

7 Q. Did you have the opportunity as the case agent to review the  
8 documents provided by Mr. Benton in response to that grand jury  
9 subpoena?

10 A. Yes.

11 Q. Now, did there come a time when you interviewed the  
12 defendant Dimitri Kesari in January of 2014?

13 A. Yes, that's correct.

14 Q. And do you see Mr. Kesari here in the courtroom?

15 A. I do.

16 Q. Would you identify him, please, by where he's sitting.

17 MR. BINNALL: We'll stipulate.

18 THE COURT: Fair enough.

19 Identity isn't an issue in this case, members of the  
20 jury. Ordinarily its an obligation of the government to prove  
21 that the person sitting in that chair is the person they're  
22 talking about, but that's not an issue here.

23 Go ahead.

24 MR. KRAVIS: Thank you, Your Honor.

25 BY MR. KRAVIS:

1 Q. During that interview did you ask Mr. Kesari to give you the  
2 computer that he was using during the 2012 campaign?

3 A. We asked Mr. Kesari about the computer that he was using  
4 during the Ron Paul 2012 Campaign. Mr. Kesari told us that he  
5 did not have -- or I'm sorry; Mr. Kesari told us that he was no  
6 longer using that particular computer. He wasn't sure if he  
7 still had that computer but that he had transferred most of the  
8 information from that old computer over to his new computer that  
9 he was currently using.

10 Q. And did there come a time in the investigation where  
11 Mr. Kesari's lawyer gave you that computer?

12 A. Yes.

13 Q. And did the computer that Mr. Kesari's lawyer gave you, did  
14 that computer have a serial number on it?

15 A. It did.

16 Q. Do you remember the serial number off the top of your head  
17 as you sit here today?

18 A. No, I do not.

19 Q. Did you write it down somewhere?

20 A. I did.

21 Q. Where would you have written it down?

22 A. I wrote it down on what's called receipt of government  
23 property. Basically we go out to an individual and I will give  
24 you a receipt, and it's a way for us to keep track of what we  
25 obtain from somebody and also for you to have a note of what the

1 government obtained.

2 Q. Was the computer serial number accurate when you wrote it on  
3 the receipt of property form?

4 A. It was.

5 Q. Showing defense counsel what has been marked for  
6 identification and previously produced as Government's Exhibit  
7 135.

8 Special Agent LoStracco, handing you what has been  
9 marked for identification as Government's Exhibit 135, do you  
10 recognize that exhibit?

11 A. I do.

12 Q. What is Government's Exhibit 135?

13 A. This is an FBI receipt of property. It can also be used  
14 when we return property.

15 Q. Is this the receipt of property form for the computer that  
16 Mr. Kesari's lawyer provided to the FBI that you have been  
17 describing a moment ago?

18 A. Yes, and a phone.

19 Q. And directing your attention to the second item on the  
20 receipt of property form, do you see the serial number of the  
21 computer?

22 A. I do.

23 Q. And could you read it out loud, please?

24 A. Yes. C02JG3N6DKQ2.

25 Q. Thank you.

1           Now, did there come a time later when you reviewed an  
2 image of the contents of Mr. Kesari's -- the computer provided  
3 by Mr. Kesari's counsel on the FBI's network?

4     A.   Yes.

5     Q.   And how exactly did you do that?

6     A.   So, when we obtain computer evidence or electronic evidence,  
7 we can submit that into our evidence system, and then we have  
8 computer forensics people who take that item, make an image of  
9 it and can put it into a Forensic Tool Kit, and that allows the  
10 case agent like myself to be able to view what's on the computer  
11 in the system from my desktop.

12    Q.   And in this particular investigation, did you, yourself,  
13 review the image of the computer provided by Mr. Kesari's  
14 counsel using that Forensic Tool Kit program that you described?

15    A.   Yes.

16    Q.   By the way, at the time that Mr. Kesari's lawyer provided  
17 the FBI with the computer, did he also provide the FBI with a  
18 cell phone?

19    A.   He did.

20    Q.   Did that cell phone have a serial number on it?

21    A.   It did.

22    Q.   As you're sitting here today, do you remember the serial  
23 number off the top of your head?

24    A.   No, I do not.

25    Q.   Any chance you wrote it down on the receipt of property

1 form?

2 A. Yes.

3 Q. Showing you again Government's Exhibit 135. Do you see the  
4 serial number of the cell phone that Mr. Kesari's counsel  
5 provided you on Government's Exhibit 135?

6 A. I do.

7 Q. Would you read it out loud, please.

8 A. C39HL2SNDTC1.

9 Q. Thank you very much.

10 Now, Special Agent LoStracco, let me ask you a few  
11 questions now about some of the particular documents that you  
12 gathered in the course of the investigation from these various  
13 sources. When I do that in some cases I'll be asking you to  
14 read the document out loud, like you will read it as it appears  
15 on the screen, typos and all, okay?

16 A. Yes.

17 MR. HOWARD: Your Honor, Mr. Benton is going to object  
18 to that. The document speaks for itself. This is an attempt to  
19 get Agent LoStracco to testify to something that --

20 THE COURT: We'll see. Sometimes it's helpful;  
21 sometimes it's not.

22 MR. KRAVIS: All right. We can use Sanctions for this  
23 part; is that okay? Yes.

24 BY MR. KRAVIS:

25 Q. Okay. I'm going to start, Special Agent LoStracco, about

1 some e-mails with Mr. Tate and Mr. Benton during the 2012 time  
2 period, and I'm going to start with what has been marked for  
3 identification and not yet admitted as Government's Exhibit 74.

4 Do you see Government's Exhibit 74?

5 A. I do.

6 Q. Do you recognize it?

7 A. Yes.

8 Q. What is Government's Exhibit 74?

9 A. This is an e-mail exchange between Dimitri Kesari and John  
10 Tate.

11 Q. What is the date of the e-mail exchange?

12 A. February 7, 2012.

13 Q. Where did this document come from?

14 A. Can I see the entire document? I'm sorry.

15 This document came from the Ron Paul Presidential  
16 Campaign.

17 MR. KRAVIS: At this time the government moves Exhibit  
18 74 into evidence.

19 (Government Exhibit 74 was  
20 offered in evidence.)

21 MR. HOWARD: Your Honor, objection. This is, one, not  
22 a business record. Two, this is hearsay. This is clearly  
23 Mr. Tate's statement. He's not here. We're not able to  
24 cross-examine him.

25 THE COURT: Overruled. 74 is received.

1 MR. BINNALL: I just want to get on the record that we  
2 have the same objection. I understand that part of this is for  
3 Mr. Kesari, part of it is not for Mr. Kesari, and we would  
4 object to the part that's not Mr. Kesari and it's improperly  
5 authenticated and we would go ahead and renew our objections  
6 that were already decided by the court on the motions in limine.

7 THE COURT: And this is offered pursuant to subsection  
8 (E)?

9 MR. KRAVIS: Yes, Your Honor.

10 THE COURT: The exhibit is received, the objection is  
11 overruled.

12 (Government Exhibit 74 was  
13 received in evidence.)

14 BY MR. KRAVIS:

15 Q. As the document comes up on the screen, Special Agent  
16 LoStracco, can I ask you to start with the bottom e-mail, the  
17 February 7, 2012, 5:19 p.m. e-mail and read up from there to the  
18 top.

19 MR. HOWARD: Objection, Your Honor. The document  
20 speaks for itself.

21 THE COURT: Sometimes it's hard to see from this  
22 distance. It's okay. It's short.

23 A. On February 7, 2012, at 5:19 p.m., Dimitri Kesari wrote:  
24 "Did Jesse get Kent paid? He said he would handle it and Kent  
25 is texting today."

1 Q. And was there a response from John Tate?

2 A. Yes.

3 Q. Can you read that to us?

4 A. From John Tate. Sent Tuesday, February 7, 2012, 7:22 p.m.  
5 To Dimitri Kesari. Subject: Re:.

6 "No idea. Ask him."

7 Q. Ma'am, can I turn your attention now to what has been marked  
8 and not yet admitted as Government's Exhibit 75.

9 Do you recognize Government's Exhibit 75?

10 A. Yes.

11 Q. What is Government's Exhibit 75?

12 A. This is an e-mail exchange between Dimitri Kesari and Jesse  
13 Benton.

14 Q. What is the date of the e-mail exchange?

15 A. February 7, 2012.

16 Q. Where did this document come from?

17 A. This document came from the Ron Paul Presidential Campaign.

18 MR. KRAVIS: At this time the government moves 75 into  
19 evidence.

20 (Government Exhibit 75 was  
21 offered in evidence.)

22 MR. HOWARD: Your Honor, same objection. These are  
23 hearsay documents. We're not going to have a chance --

24 MR. BINNALL: Same objection for Mr. Kesari, simply as  
25 to the response from Mr. Benton as to him is hearsay. Also, if

1 the court will allow me, I just want to put a continuing  
2 objection as to the authentication issue.

3 THE COURT: The objection is overruled. 75 is  
4 received.

5 (Government Exhibit 75 was  
6 received in evidence.)

7 BY MR. KRAVIS:

8 Q. And, Special Agent LoStracco, once Exhibit 75 comes up on  
9 the screen, starting with the bottom e-mail, February 7, 2012,  
10 6:31 p.m. e-mail, would you read this one from the bottom to the  
11 top, please?

12 A. Yes. On February 7, 2012, at 6:31 p.m., Dimitri Kesari  
13 wrote:

14 "Did you get Kent paid?

15 "Or should I submit the payment and pay him?"

16 Q. And was there a response from Mr. Benton?

17 A. Yes.

18 Q. Can you read the response? Why don't you start and read the  
19 header first and then the body of the message.

20 A. From Jesse Benton, sent Tuesday, February 7, 2012, 7:36  
21 p.m., to Dimitri Kesari.

22 "Yo handle."

23 Q. Turning your attention now to another e-mail exchange, this  
24 document has already been marked and identified but not yet  
25 admitted. It's Government's Exhibit 87b.

1 Do you recognize Government's Exhibit 87b?

2 A. Yes.

3 Q. What is Government's Exhibit 87b?

4 A. This is an e-mail exchange between Dimitri Kesari, Jesse  
5 Benton, and sonnyizon@aol.com.

6 Q. What is the date of this e-mail exchange?

7 A. May 2, 2012.

8 Q. Does the e-mail exchange have an attachment with it? Turn  
9 to the second page.

10 A. Yes.

11 MR. KRAVIS: At this time the government moves both  
12 pages of Exhibit 87b into evidence.

13 (Government Exhibit 87b was  
14 offered in evidence.)

15 MS. SINFELT: Your Honor, Mr. Benton objects. We have  
16 authentication questions about this document.

17 MR. BINNALL: We join in the authentication objection,  
18 Your Honor. We also object based on hearsay. It's not been  
19 authenticated as to Mr. Kesari.

20 THE COURT: This was the subject of the Google  
21 custodian's custody?

22 MR. KRAVIS: AOL.

23 THE COURT: And the AOL. The objection is overruled.  
24 87b is received.

25 (Government Exhibit 87b was

1 received in evidence.)

2 BY MR. KRAVIS:

3 Q. And as the document is published on the screen, Special  
4 Agent LoStracco, I'm going to ask you to start with the first  
5 page of the exhibit with the e-mail at the bottom and read up  
6 from there, okay.

7 A. From sonnyizon@aol.com. Dated May 2, 2012, 9:01 a.m. To  
8 dkesari@aol.com. Subject: April invoice.

9 "Hey Dimitri.

10 "Here's the production services invoice for April  
11 2012. Hope you are doing well.

12 "Peace.

13 "Sonny Izon."

14 Q. And then can you read the next e-mail?

15 A. From Dimitri Kesari. Sent Wednesday, May 2, 2012, 9:43 a.m.  
16 To Jesse Benton. Subject: Forward: April invoice,  
17 attachments. There's an attachment.

18 "Kent's bill.

19 "Pay?"

20 Q. And then turning to the second page of Government's Exhibit  
21 87b, can you briefly describe the attachment?

22 A. This is an invoice from Interactive Communication  
23 Technology, Inc. in Hyattsville, Maryland. It's directed to the  
24 Ron Paul PPC, Inc., attention: Dimitri Kesari in Springfield,  
25 Virginia. The date is May 1, 2012. The description is

1 production services April, and it's in the amount of \$8,850.

2 Q. I want to turn your attention now to Government's Exhibit  
3 87c, which has not yet been admitted into evidence.

4 Do you recognize Government's Exhibit 87c?

5 A. Yes.

6 Q. What is it?

7 A. This is an e-mail exchange between Dimitri Kesari, Jesse  
8 Benton, and sonnyizon@aol.com.

9 Q. What's the date of this e-mail exchange?

10 A. May 2, 2012.

11 Q. Where did this document come from?

12 A. This document came from Dimitri Kesari's computer.

13 MR. KRAVIS: At this time the government moves  
14 Government's Exhibit 87c into evidence.

15 (Government Exhibit 87c was  
16 offered in evidence.)

17 MS. SINFELT: Mr. Benton objects. I apologize, Your  
18 Honor. This is the document that we have an authentication  
19 argument about and --

20 THE COURT: I can't hear you.

21 MS. SINFELT: We would like to have voir dire on this  
22 document if possible on authentication.

23 THE COURT: We'll put this off until lunch hour.  
24 Go ahead.

25 MR. BINNALL: Is it admitted, Your Honor?

1 THE COURT: No, no.

2 MR. BINNALL: Got it. Thank you.

3 THE COURT: I want to hear more about it after the  
4 jury leaves for lunch.

5 BY MR. KRAVIS:

6 Q. Now, I want to ask you now about some e-mails from the time  
7 period of 2012 concerning some invoices for January of 2012,  
8 okay. I'm going to start with what's been marked for  
9 identification as Government's Exhibit 68.

10 Do you recognize Government's Exhibit 68?

11 A. Yes.

12 Q. What is Government's Exhibit 68?

13 A. This is an e-mail from Kent Sorenson to Dimitri Kesari.

14 Q. What's the date of the e-mail exchange?

15 A. January 24, 2012.

16 Q. Where did this document come from?

17 A. This document came from the Ron Paul Presidential Campaign.

18 MR. KRAVIS: At this time the government moves Exhibit  
19 68 into evidence.

20 (Government Exhibit 68 was  
21 offered in evidence.)

22 MR. BINNALL: Objection to hearsay.

23 MR. HOWARD: Could I have one minute, please?

24 (Pause.)

25 MR. HOWARD: No objection, Your Honor.

1 THE COURT: Overruled. Exhibit 68 is received.

2 (Government Exhibit 68 was  
3 received in evidence.)

4 BY MR. KRAVIS:

5 Q. And as Government's Exhibit 68 comes up on the screen, I'm  
6 going to ask you to start with the first page of the exhibit and  
7 read the brief e-mail exchange that appears at the top.

8 A. From Kent Sorenson. Sent Tuesday, January 24, 2012, 9:19  
9 p.m. To Dimitri Kesari and Dimitri Kesari. Subject: Invoice.  
10 And there's an attachment.

11 Dimitri, I really need to get this taken care of ASAP.  
12 Hope you understand, smiley face. Thanks, Kent.

13 Q. Now, turning to the second page of Government's Exhibit 68,  
14 the attachment, can you briefly describe that attachment?

15 A. This is an invoice from Grassroots Strategy, Inc.,  
16 attention: ICT, Inc. in Hyattsville, Maryland. The date is  
17 July 22, 2011. The project title is Consulting Services, and  
18 the project description is Provided Consulting Services. The  
19 description is retainer to provide services, \$25,000, and  
20 provides monthly services for month of January 2012 for \$8,000,  
21 for a total of \$33,000. And it's signed sincerely yours, Kent  
22 Sorenson.

23 Q. Does this attachment anywhere mention the Ron Paul  
24 Presidential Campaign?

25 MR. HOWARD: Your Honor, again objection. The

1 document speaks for itself.

2 THE COURT: Overruled.

3 Answer the question.

4 A. No, it does not.

5 BY MR. KRAVIS:

6 Q. Turning your attention now to Government's Exhibit 69, which  
7 has not yet been admitted into evidence.

8 Do you recognize Government's Exhibit 69?

9 A. Yes.

10 Q. What is Government's Exhibit 69?

11 A. This is an e-mail from Dimitri Kesari to pkesari@msn.com.

12 Q. What's the date of the e-mail exchange?

13 A. January 24, 2012.

14 Q. Where did this document come from?

15 A. This document came from the Ron Paul Presidential Campaign.

16 MR. KRAVIS: At this time the government moves Exhibit  
17 69 into evidence.

18 (Government Exhibit 69 was  
19 offered in evidence.)

20 MR. BINNALL: No objection.

21 MR. HOWARD: No objection.

22 THE COURT: All right. 69 is received.

23 (Government Exhibit 69 was  
24 received in evidence.)

25 MR. BINNALL: Your Honor, I apologize. I just wanted

1 to make sure that I did say that we were -- we did have our  
2 authentication issue preserved on these e-mails, and I just want  
3 to make sure that we have t preserved the authentication  
4 specifically on this exhibit.

5 THE COURT: Okay. The authentication objection is  
6 overruled.

7 MR. BINNALL: Thank you.

8 BY MR. KRAVIS:

9 Q. As the document Government Exhibit 69 is coming up on the  
10 screen, I would ask you to start with the e-mail that appears at  
11 the top of the first page and read that aloud.

12 A. From Dimitri Kesari, sent Tuesday, January 24, 2012, 9:30  
13 p.m., to pkesari@msn.com. Subject: Invoice. There's an  
14 attached invoice.

15 "Here is the invoice that needs to be taken care of.

16 "Send me an invoice for video services. 33k plus."

17 Q. By the way, in the course of your investigation, did you  
18 learn who was using the e-mail address pkesari@msn.com at this  
19 time?

20 A. Yes.

21 Q. Who was it?

22 A. Pavlo Kesari. He also goes by the name of Paul Kesari.

23 Q. Let me ask you now to turn to the second page of this  
24 exhibit, the attachment. And my question is just, is this  
25 attachment the same invoice that we just saw a moment ago from

1 the previous exhibit?

2 A. Yes.

3 THE COURT: Okay. We're going to break for lunch.  
4 Members of the jury, we'll take a lunch hour and we'll start  
5 again at 1:15.

6 We'll see you then.

7 (In open court, out of the presence of the jury.)

8 THE COURT: Please be seated.

9 So what's the issue on 87c, Mr. Binnall?

10 MS. SINFELT: Your Honor, this document says that the  
11 e-mail message was sent from the iPad, and the government has  
12 just proffered that Agent LoStracco only looked at the Mac Pro  
13 and not the iPad. It's not clear that the FBI actually looked  
14 at the iPad that this e-mail came from.

15 MR. KRAVIS: I mean, we have noticed an expert  
16 witness, Gunnar Demarco, who is going to testify later today or  
17 tomorrow who's going to explain that e-mail servers can sync  
18 with multiple devices. So we all have this experience, you get  
19 your e-mail on your phone, your iPad, your computer, it's all  
20 the same e-mail. The special agent testified that she reviewed  
21 the contents of the computer. This e-mail was in there. If the  
22 defense wants to bring out on cross-examination that there could  
23 have been another device involved, I'm not sure what relevance  
24 that has; but I think that would go at most to the weight not  
25 the admissibility of the evidence.

1 MS. SINFELT: And the issue here is this was not found  
2 anywhere else. It was not found on the Ron Paul server. It was  
3 not found in Mr. Benton's e-mail account. It wasn't found on  
4 Mr. Kesari's AOL account. It was only found on his personal  
5 computer which was not the computer that he used when he was  
6 active during the campaign which we just heard from the FBI  
7 agent.

8 THE COURT: Thank you. I appreciate that.

9 We'll see you at 1:15.

10 (Recess at 12:02 p.m., until 1:15 p.m.)  
11  
12  
13  
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1 AFTERNOON SESSION 1:14 p.m.

2 (In open court, in the presence of the jury.)

3 THE COURT: Please be seated.

4 KAREN LOSTRACCO,

5 resumed her testimony as follows:

6 DIRECT EXAMINATION (Continued)

7 BY MR. KRAVIS:

8 Q. Good afternoon, Special Agent.

9 A. Good afternoon.

10 Q. You're still under oath, you understand that, right?

11 A. Yes.

12 Q. Before the break we were talking about some e-mails related  
13 to invoices from January of 2012. I want to pick up there and  
14 start with what has been marked but not yet admitted as  
15 Government's Exhibit 70.

16 Do you recognize Government's Exhibit 70?

17 A. Yes.

18 Q. What is Government's Exhibit 70?

19 A. This is an e-mail from Kent Sorenson to Dimitri Kesari.

20 Q. What is the date of the e-mail?

21 A. January 26, 2012.

22 Q. Where did this document come from?

23 A. The Ron Paul Presidential Campaign.

24 MR. KRAVIS: At this time the government moves Exhibit  
25 70 into evidence.

1 (Government Exhibit 70 was  
2 offered in evidence.)

3 MR. BINNALL: Objection; hearsay, authentication.

4 MR. HOWARD: Objection, Your Honor.

5 THE COURT: Overruled. 70 is received.

6 (Government Exhibit 70 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. Now as Exhibit 70 comes up on the screen, the first thing  
10 I'm going to ask you to do is read the short e-mail that appears  
11 at the top of the first page of Government's Exhibit 70.

12 A. From Kent Sorenson, sent Thursday, January 26, 2012, 11:39  
13 p.m., to Dimitri Kesari and Dimitri Kesari. Subject: Re:  
14 Invoice, and there's an attachment.

15 "Dimitri.

16 "I am attaching an invoice that contains my EIN. My  
17 address is included in the bill.

18 "Thanks.

19 "Kent."

20 Q. Now what I'm going to ask you to do is compare the  
21 attachment that appeared in Government's Exhibit 68, that's the  
22 second page of 68, with the attachment that appeared in  
23 Government's Exhibit 70. That's the second page of Government's  
24 Exhibit 70. We'll get the second page of 68 and the second page  
25 of 70?

1           What, if any, difference is there between the  
2 attachment to Government's Exhibit 68 and the attachment to  
3 Government's Exhibit 70?

4 A. I'm not sure how they're laid out on the screen, which one  
5 is on which side.

6 Q. I believe that Government's Exhibit 70 should bear the stamp  
7 RP0006?

8 A. Government's Exhibit 70 appears to have an EIN number and  
9 the other exhibit does not.

10 Q. So they're the same invoice, one with the EIN number, one  
11 without?

12 A. Yes.

13 Q. I'm going to direct your attention now to what's being  
14 marked but not yet entered into evidence as Government's Exhibit  
15 71.

16           Do you recognize Government's Exhibit 71?

17 A. Yes.

18 Q. What is it?

19 A. This is an e-mail exchange between Kent Sorenson, Dimitri  
20 Kesari, and pkesari@msn.com.

21 Q. Where did this document come from?

22 A. The Ron Paul Presidential Campaign.

23           MR. KRAVIS: At this time the government moves Exhibit  
24 71 into evidence.

25

1 (Government Exhibit 71 was  
2 offered in evidence.)

3 MR. BINNALL: Same objection.

4 MR. HOWARD: Your Honor, again, hearsay objection.

5 THE COURT: Overruled. 71 is received.

6 (Government Exhibit 71 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. Now, looking at the first page of Government's Exhibit 71,  
10 do you see the e-mail that we just saw in Government's Exhibit  
11 70? Do you see that in Government's Exhibit 71?

12 A. I do.

13 Q. And what happens above that e-mail, that is above the e-mail  
14 that we saw from 70?

15 A. That is an e-mail from Dimitri Kesari to pkesari@msn.com  
16 forwarding the bottom e-mail.

17 Q. And who again was using the address pkesari@msn.com at this  
18 time?

19 A. That was Pavlo Kesari or Paul Kesari.

20 Q. Turning to the second page of Government Exhibit 71, the  
21 invoice, is that the same attachment that we just saw for  
22 Government's Exhibit 70?

23 A. Yes.

24 Q. I'm going to show you now what has been marked and entered  
25 into evidence as Government's Exhibit 76, and what I'm going to

1 do is actually put Government's Exhibit 76 and Government's  
2 Exhibit 71 side by side, the first pages of each.

3 So Government's Exhibit 71 is the e-mail from Dimitri  
4 Kesari to pkesari@msn.com that you just reviewed?

5 A. Correct.

6 Q. Do you see that there?

7 A. Yes.

8 Q. And Government's Exhibit 76 is the e-mail exchange that's  
9 been admitted into evidence among sonnyizon@aol.com,  
10 dkesari@aol.com and pkesari@msn.com.

11 Do you see that?

12 A. Yes.

13 Q. Can you compare for me the date of the e-mail on  
14 Government's Exhibit 71 as it relates to the dates on the  
15 e-mails on Government's Exhibit 76?

16 A. Yes. The date on Government Exhibit 71 is January 27, 2012.  
17 The date on Government Exhibit 76 is February 5, 2012, so a few  
18 days later, about a week later.

19 Q. Thank you.

20 I want to turn your attention now to some e-mails  
21 regarding invoices for the month of February, 2012, okay?

22 A. Yes.

23 Q. And I'm going to start with what has been marked but not yet  
24 entered into evidence as Government's Exhibit 78, and this is a  
25 redacted exhibit.

1 Do you have Government's Exhibit 78 in front of you?

2 A. I do.

3 Q. What is it?

4 A. This is an e-mail between Kent Sorenson and Dimitri Kesari.

5 Q. What's the date of the e-mail?

6 A. March 4, 2012.

7 Q. And where did this document come from?

8 A. This document came from the Ron Paul Presidential Campaign.

9 MR. KRAVIS: At this time the government moves Exhibit  
10 78 into evidence.

11 (Government Exhibit 78 was  
12 offered in evidence.)

13 MR. HOWARD: No objection.

14 MR. BINNALL: Same objection.

15 THE COURT: Overruled. 78 is received.

16 (Government Exhibit 78 was  
17 received in evidence.)

18 BY MR. KRAVIS:

19 Q. Now, as Government's Exhibit 78 comes up on the screen, I'm  
20 going to ask you to start with the e-mail that appears at the  
21 top of the first page. Can you read that e-mail for us?

22 A. From Kent Sorenson, sent Sunday March 4, 2012, 11:23 p.m.,  
23 to Dimitri Kesari and Dimitri Kesari. Subject: Invoice for  
24 February. Attachment.

25 "Hey Dimitri hope all is well.

1 "I have attached the invoice for February.

2 "Thanks.

3 "Kent."

4 Q. Now I'm going to ask you to turn to the second page of  
5 Government's Exhibit 78, the invoice. Can you briefly describe  
6 this attachment?

7 A. This is an invoice from Grassroots Strategy, Inc.,  
8 attention: ICT, Inc., in Hyattsville, Maryland. The date is  
9 March 1, 2012. The project title is Consulting Services. The  
10 project description is Provided Consulting Services. The  
11 description, provides monthly service for the month of February  
12 2012 in the amount of \$8,000. There's an EIN number, and the  
13 total is \$8,000 and it's signed sincerely yours, Kent Sorenson.

14 Q. Do you see the Ron Paul Presidential Campaign reference  
15 anywhere on this invoice?

16 A. No.

17 Q. Turn your attention now to what has been marked but not yet  
18 entered into evidence as Government's Exhibit 79. This is also  
19 a redacted exhibit.

20 Do you recognize Government's Exhibit 79?

21 A. Yes.

22 Q. What is Government's Exhibit 79?

23 A. This is an e-mail exchange between Kent Sorenson and Dimitri  
24 Kesari.

25 Q. And what's the date of the e-mail exchange?

1 A. March 18, 2012 and March 4, 2012.

2 Q. Where did this document come from?

3 A. This document came from the Ron Paul Presidential Campaign.

4 MR. KRAVIS: At this time the government moves Exhibit  
5 79 into evidence --

6 MR. HOWARD: Ah --

7 MR. KRAVIS: -- as redacted.

8 (Government Exhibit 79 was  
9 offered in evidence.)

10 MR. HOWARD: Your Honor, understanding our prior  
11 objections, we understand your ruling. Just for the record we  
12 do have the same objections.

13 MR. BINNALL: Same thing from us, Your Honor.

14 THE COURT: 79 is received. The objections are  
15 overruled.

16 (Government Exhibit 79 was  
17 received in evidence.)

18 BY MR. KRAVIS:

19 Q. As for the documents, the exhibit is coming up on the  
20 screen, Special Agent. I'm going to ask you to --

21 MR. HOWARD: I'm sorry, Mr. Kravis. Your Honor, if I  
22 can ask -- say something to Mr. Kravis real quick?

23 THE COURT: Yeah. Go ahead.

24 MR. HOWARD: I apologize.

25 (Counsel conferring.)

1 MR. HOWARD: I apologize.

2 BY MR. KRAVIS:

3 Q. The e-mail that appears at the bottom of Exhibit 79, is that  
4 the same e-mail we were just looking at for Exhibit 78?

5 A. Yes.

6 Q. Can you read up from there the e-mail that appears above it?

7 A. From Kent Sorenson, sent Sunday, March 18, 2012, 9:46 a.m.,  
8 to Dimitri Kesari. Subject: Forward: Invoice for February.  
9 Attachment.

10 "Dimitri, I've tried checking in a few time your VM is  
11 full. Would like to check on payment for February. I am unsure  
12 what I am going to do so please stay in touch and don't go dark  
13 on me," smiley face. "Hope you are doing well.

14 "Thanks, Kent.

15 "PS. Do I need to send this to Sonny since he was the  
16 one that wired the funds last time?"

17 Q. The next thing I'm going to ask you to do is compare the  
18 attachment from Government's Exhibit 78, the attachment from  
19 Government's Exhibit 79. We will put on the screen before you  
20 the second page of Government's Exhibit 78 and the second page  
21 of Government's Exhibit 79.

22 Once they're up there, let me ask you to look at them  
23 and tell me whether the attachments to Government's Exhibits 78,  
24 79, those two invoices are the same or different.

25 A. They're the same.

1 Q. Then turn your attention now to what has been marked but not  
2 yet admitted as Government's Exhibit 80.

3 Do you recognize Government's Exhibit 80?

4 A. Yes.

5 Q. What is Government's Exhibit 80?

6 A. This is an e-mail from Dimitri Kesari to Paul Kesari.

7 Q. What is the date of the e-mail?

8 A. Sunday, March 18, 2012.

9 Q. Where did this document come from?

10 A. The Ron Paul Presidential Campaign.

11 MR. KRAVIS: At this time the government moves Exhibit  
12 80 into evidence.

13 (Government Exhibit 80 was  
14 offered in evidence.)

15 MR. BINNALL: No objection, Your Honor.

16 MR. HOWARD: Just a minute, Your Honor.

17 MR. BINNALL: Except for the authentication issue  
18 already preserved.

19 (Pause.)

20 MR. HOWARD: For the record, the same objection.

21 THE COURT: Overruled. 80 is received.

22 (Government Exhibit 80 was  
23 received in evidence.)

24 BY MR. KRAVIS:

25 Q. As the exhibit comes up on the screen, I'm going to ask you

1 to begin at the top of the first page of Government's Exhibit  
2 80. I'm going to ask you to read the short e-mail that appears  
3 at the top of that page.

4 A. From Dimitri Kesari sent Sunday, March 18, 2012, 12:38 p.m.,  
5 to Paul Kesari. Subject: Forward: Invoice for February.  
6 Attachment.

7 "Can you send me a bill?"

8 Q. Now I'm going to ask you to compare the attachment for  
9 Government's Exhibit 79, the attachment for Government's Exhibit  
10 80. I will put on the screen in front of you the second page of  
11 Government's Exhibit 79 and the second page of Government's  
12 Exhibit 80. When you have them on the screen in front of you,  
13 would you look at them and tell me, is this the same invoice or  
14 different?

15 A. It's the same invoice.

16 Q. So the invoice that was forwarded with the invoice that was  
17 sent in Government's Exhibit 79 from Kent Sorenson to Dimitri  
18 Kesari is the same invoice that was sent in Government's Exhibit  
19 80 from Dimitri Kesari to Paul Kesari?

20 A. Correct.

21 Q. Turn your attention now to what has been marked but not yet  
22 admitted as Government's Exhibit 81.

23 Do you recognize Government's Exhibit 81?

24 A. Yes.

25 Q. What is Government's Exhibit 81?

1 A. This is an e-mail from sonnyizon@aol.com to dkesari@aol.com.

2 Q. What is the date of this e-mail exchange?

3 A. March 21, 2012.

4 Q. Where did this document come from?

5 A. Dimitri Kesari's computer.

6 MR. KRAVIS: At this time the government moves Exhibit  
7 81 into evidence.

8 (Government Exhibit 81 was  
9 offered in evidence.)

10 MS. SINFELT: Your Honor, we would just like to  
11 preserve our authentication objection.

12 MR. BINNALL: The same with authentication, and also  
13 coming from Mr. Izon, we object to hearsay.

14 THE COURT: Overruled. 81 is received.

15 (Government Exhibit 81 was  
16 received in evidence.)

17 BY MR. KRAVIS:

18 Q. Okay. As 81 is coming up on the screen, I'm going to ask  
19 you to direct your attention to the brief e-mail that appears at  
20 the top of Government's Exhibit 81. You don't have to worry  
21 about all of the text that comes below.

22 Can you read that e-mail for us?

23 A. From sonnyizon@aol.com to dkesari@aol.com. Subject:  
24 February invoice, sent Wednesday, the 21st of March 2012, at  
25 19:35.

1 "Hey Dimitri.

2 "Attached is the invoice for services rendered in  
3 February. Let me know if you need anything else.

4 "Best.

5 "Sonny."

6 Q. I'm going to ask you to turn your attention to the third  
7 page of Government's Exhibit 81. And is that one of the ICT  
8 invoices that we've seen already?

9 A. Correct.

10 Q. All right. I'm going to briefly turn your attention to what  
11 has already been marked and entered into evidence as  
12 Government's Exhibit 84b. I'm going to ask you to look at the  
13 bottom -- well, first, let me ask you, what is Government's  
14 Exhibit 84b?

15 A. This is an e-mail exchange between sonnyizon@aol.com,  
16 dkesari@aol.com, Fernando Cortes, and John Tate.

17 Q. Okay. Now, do you see the e-mail from Sonny Izon on  
18 Wednesday March 21, 2012, at 7:36 p.m. that appears at the  
19 bottom of Government's Exhibit 84b, the bottom e-mail there?

20 A. Yes.

21 Q. Is that e-mail at the bottom the same or different from the  
22 e-mail that we just saw in Government's Exhibit 81?

23 A. That's the same e-mail.

24 Q. Same e-mail?

25 A. Yes.

1 Q. I want to ask you now about some e-mails related to some  
2 invoices for the month of March 2012. I want to start with what  
3 has been marked but not yet entered into evidence as  
4 Government's Exhibit 82.

5 Do you recognize Government's Exhibit 82?

6 A. Yes.

7 Q. What is it?

8 A. This is an e-mail from Kent Sorenson.

9 Q. Now, is there anyone listed in the "to" line in the header  
10 of the e-mail?

11 A. There is not.

12 Q. Is there anyone listed in the body of the e-mail as  
13 recipient?

14 A. Yes.

15 Q. Who is listed as a recipient in the body of the e-mail?

16 A. Dimitri and Sonny.

17 Q. And what is the date of this e-mail?

18 A. March 26, 2012.

19 Q. And where did this e-mail come from?

20 A. The Ron Paul Presidential Campaign.

21 MR. KRAVIS: At this time the government moves Exhibit  
22 82 into evidence.

23 (Government Exhibit 82 was  
24 offered in evidence.)

25 MR. BINNALL: Same objection as we previously had.

1 MS. SINFELT: One second.

2 (Pause.)

3 MS. SINFELT: Your Honor, we would like to have some  
4 voir dire on this document as well.

5 THE COURT: Go ahead right now.

6 VOIR DIRE EXAMINATION

7 BY MS. SINFELT:

8 Q. Good afternoon, Agent LoStracco. Just a few quick questions  
9 about this document.

10 A. Sure.

11 Q. Can you tell us if you know why there would not be an  
12 address listed in the "to" field?

13 A. I do not.

14 MS. SINFELT: Thank you.

15 Your Honor, we have an objection to this document as  
16 to authenticity.

17 THE COURT: Overruled. 82 is received.

18 (Government Exhibit 82 was  
19 received in evidence.)

20 DIRECT EXAMINATION (Continued)

21 BY MR. KRAVIS:

22 Q. As document 82 comes up on the screen, I'm going to ask you  
23 to start by reading the header that appears at the top of  
24 Government's Exhibit 82.

25 A. From Kent Sorenson, sent Monday, March 26, 2012, 12:38 a.m.

1 Subject: "Invoiving," and there's an attachment.

2 Q. And the first line reads?

3 A. "Dimitri/Sonny."

4 Q. Now I'm going to ask you to turn to the third page of this  
5 exhibit, and on the third page -- I'm sorry, one more, one more  
6 page.

7 And on the third page, can you read where the text  
8 continues at the top?

9 A. "I am sending a new invoice that now includes March as well.  
10 Please let me know when this will be paid.

11 "Sincerely,

12 "Kent Sorenson."

13 Q. Now I'm going to ask you to turn back to the second page and  
14 take a look at the attachment that appears there. And when it  
15 comes up, I'm going to ask you to briefly describe it.

16 A. This is an invoice from Grassroots Strategy, Inc.,  
17 attention" ICT, Inc., Hyattsville, Maryland. The date is  
18 March 25, 2012. Project title: Consulting Services. Project  
19 Description: Provided Consulting Services. The description is,  
20 provides monthly service for month of February 2012 in the  
21 amount of \$8,000 and provides monthly service for month of March  
22 2012 in the amount of \$8,000 for a total of \$16,000, and it's  
23 signed, sincerely yours, Kent Sorenson.

24 Q. Does the name of the Ron Paul Presidential Campaign appear  
25 anywhere in this invoice?

1 A. No.

2 Q. I want to turn your attention now to what has been marked  
3 but not yet entered into evidence as Government's Exhibit 83.

4 Do you recognize Government's Exhibit 83?

5 A. Yes.

6 Q. What is it?

7 A. This is an e-mail from sonnyizon@aol.com to dkesari@aol.com.

8 Q. What is the date of the e-mail?

9 A. March 26, 2012.

10 Q. Where did this document come from?

11 A. This document came from Dimitri Kesari's computer.

12 MR. KRAVIS: At this time of the government moves  
13 Exhibit 83 into evidence.

14 (Government Exhibit 83 was  
15 offered in evidence.)

16 MR. HOWARD: Your Honor, for the record just the same  
17 objections.

18 MR. BINNALL: For the record the same objections for  
19 Mr. Kesari as well.

20 THE COURT: Overruled. 83 is received.

21 (Government Exhibit 83 was  
22 received in evidence.)

23 BY MR. KRAVIS:

24 Q. As Exhibit 83 comes up on the screen, I'm going to direct  
25 your attention to the e-mail that appears at the top of the

1 first page. I would like you to read that e-mail for us.

2 A. From sonnyizon@aol.com to dkesari@aol.com. Subject: March  
3 invoice. Sent Monday, 26th of March 2012, at 17:12.

4 "Hi Dimitri.

5 "Here is the invoice for March.

6 "Peace.

7 "Sonny."

8 Q. And now just briefly looking at the attachment that appears,  
9 the second page of Government's Exhibit 83, is this one of the  
10 ICT invoices that we saw earlier today?

11 A. Yes.

12 Q. I'm going to direct your attention now to what has been  
13 marked and entered into evidence as Government's Exhibit 85.

14 What is Government's Exhibit 85?

15 A. This is an e-mail exchange between John Tate, Fernando  
16 Cortes, Dimitri Kesari, and sonnyizon@aol.com.

17 Q. We saw this e-mail earlier this morning. I'm just going to  
18 focus your attention on the bottom e-mail of Government's  
19 Exhibit 85.

20 MR. BINNALL: Your Honor, I'm going to object that the  
21 document speaks for itself just because of the fact that that is  
22 not exactly what is shown on the header at the top of the e-mail  
23 there.

24 THE COURT: Overruled.

25 BY MR. KRAVIS:

1 Q. I'm going to direct your attention to the e-mail that  
2 appears at the bottom of the chain of Government's Exhibit 85,  
3 the one that begins from sonnyizon@aol.com.

4 A. Okay.

5 Q. Is that e-mail the same e-mail or a different e-mail from  
6 the one we just saw in Government's Exhibit 83?

7 A. That is the same.

8 Q. So it's the same e-mail as the one we just saw?

9 A. Yes.

10 Q. I'm going to turn now to some e-mails about invoices for the  
11 month of April 2012. Now, I'm going to start with what has been  
12 marked but not yet entered into evidence as Government's Exhibit  
13 86.

14 Do you recognize Government's Exhibit 86?

15 A. Yes.

16 Q. What is Government's Exhibit 86?

17 A. This is an e-mail exchange between Sonny Izon, Kent  
18 Sorenson, and Dimitri Kesari.

19 Q. What is the date of this e-mail exchange?

20 A. February 10, 2012 and May 1, 2012 and May 2, 2012.

21 Q. Where did this document come from?

22 A. The Ron Paul Presidential Campaign.

23 MR. KRAVIS: At this time the government moves Exhibit  
24 86 into evidence.

25

1 (Government Exhibit 86 was  
2 offered in evidence.)

3 MR. HOWARD: For the record same objections.

4 MR. BINNALL: Authentication, same objections.

5 THE COURT: Overruled. 86 is received.

6 (Government Exhibit 86 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. Now, as Exhibit 86 comes up on the screen, I'm going to ask  
10 you to direct your attention starting in the middle of the page  
11 with the e-mail that's dated May 1, 2012 at 10:07 p.m. from  
12 sonnyizon@aol.com.

13 Do you see that e-mail?

14 A. Yes.

15 Q. Can you read that e-mail and then go up from there?

16 A. Yes. On May 1, 2012, at 10:07 p.m., sonnyizon@aol.com  
17 wrote:

18 "Hi Kent.

19 "Just checking in to see if you will be forwarding  
20 invoices for April and beyond. Hope you are well.

21 "Cheers.

22 "Sonny."

23 Q. And the next e-mail, if you can start with the header and  
24 then read the body of the message.

25 A. From Kent Sorenson sent Wednesday, May 2, 2012, 1:55 a.m.,

1 to sonnyizon@aol.com and Dimitri Kesari. Subject: Re:  
2 Additional invoices? Attachment.

3 Q. And now can you read the body of the message?

4 A. Part of the message is cut off on the right. Can you zoom  
5 out?

6 "Hey Sonny.

7 "I am attaching the invoice for April. I have been  
8 caught up trying to wrap up a few things with session and just  
9 have not had time to submit it. And so that you know, we're  
10 doing great. I hope you are as well.

11 "Blessings, Kent."

12 Q. Now I'm going to have you turn to the second page, the  
13 attachment of Government's Exhibit 86.

14 Can you briefly describe that attachment?

15 A. Yes. It's an invoice from Grassroots Strategy, Inc.,  
16 attention: ICT, Inc., in Hyattsville, Maryland. The date is  
17 May 1, 2012. Project title: Consulting Services. Project  
18 description: Provided Consulting Services. The description is,  
19 provides monthly service for month of April 2012 in the amount  
20 of \$8,000. There's an EIN number. The total on the bill -- or  
21 the invoice, sorry, is \$8,000, and it's signed, sincerely yours,  
22 Kent Sorenson.

23 Q. Now, this invoice from Grassroots Strategy to ICT signed by  
24 Kent Sorenson, does it mention the Ron Paul 2012 Presidential  
25 Campaign?

1 A. No.

2 Q. I will turn your attention now to what has been marked but  
3 not yet entered into evidence as Government's Exhibit 87a.

4 Do you recognize Government's Exhibit 87a?

5 A. Yes.

6 Q. What is it?

7 A. This is an e-mail from sonnyizon@aol.com to dkesari@aol.com.

8 Q. What is the date of this e-mail exchange?

9 A. May 2, 2012.

10 Q. And where did this document come from?

11 A. Dimitri Kesari's computer.

12 MR. KRAVIS: At this time the government moves Exhibit  
13 87a into evidence.

14 (Government Exhibit 87a was  
15 offered in evidence.)

16 MR. HOWARD: For the record same objections, Your  
17 Honor.

18 MR. BINNALL: Same objections for Mr. Kesari as well.

19 THE COURT: Overruled. 87a is received.

20 (Government Exhibit 87a was  
21 received in evidence.)

22 BY MR. KRAVIS:

23 Q. And as Exhibit 87a comes up on the screen, I'm going to  
24 direct your attention to the e-mail that appears at the top of  
25 the first page and ask you to read that e-mail aloud.

1 A. From sonnyizon@aol.com to dkesari@aol.com. Subject: April  
2 invoice, sent Wednesday, 2nd of May, 2012, 9:01.

3 "Hey Dimitri.

4 "Here's the production services invoice for April  
5 2012. Hope you are doing well.

6 "Peace.

7 "Sonny Izon."

8 Q. Now I'm going to have you look at the attachment of  
9 Government's Exhibit 87a, second page of the exhibit. Is this  
10 one of the ICT invoices we saw this morning?

11 A. Yes.

12 Q. I'm going to go back to Government's Exhibit 87c that's been  
13 marked but not yet admitted into evidence.

14 MR. KRAVIS: And the government renews its motion to  
15 admit 87c.

16 THE COURT: The objections were previously made.  
17 They're overruled. 87c is received.

18 (Government Exhibit 87c was  
19 received in evidence.)

20 BY MR. KRAVIS:

21 Q. Now, as Exhibit 87c comes up on the screen, I'm going to ask  
22 you to start at the bottom of the e-mail exchange. It appears  
23 at the bottom of the first page, the e-mail that begins from  
24 sonnyizon@aol.com and read the e-mails up from there.

25 A. From sonnyizon@aol.com, dated May 2, 2012, 9:01 a.m. to

1 dkesari@aol.com. Subject: April invoice.

2 "Hey Dimitri.

3 "Here's the production services invoice for April  
4 2012. Hope you are doing well.

5 "Peace.

6 "Sonny Izon."

7 On May 2, 2012, at 9:42 a.m., Dimitri Kesari wrote:

8 "Kent's bill.

9 "Pay?"

10 Q. And is there a response to Mr. Kesari's e-mail?

11 A. Yes. On May 2, 2012, at 10:30 a.m., Jesse Benton wrote:

12 "Yes - last time."

13 MR. HOWARD: Your Honor, we're just going to object to  
14 the answer. This e-mail was never found in Mr. Benton's -- I  
15 understand what this says, I understand your ruling, but to make  
16 sure this isn't Mr. Benton's --

17 THE COURT: Overruled.

18 A. "Yes - last time."

19 BY MR. KRAVIS:

20 Q. And there was a response from Mr. Kesari?

21 A. From Dimitri Kesari. To Jesse Benton. Subject: Re: April  
22 invoice, sent Wednesday, 2nd of May, 2012 at 10:30.

23 "Ok."

24 Q. Now, in the course of your work during this investigation,  
25 did you have the opportunity to interview Mr. Benton?

1 A. I did.

2 Q. When was that interview?

3 A. It was in July of 2014.

4 MR. HOWARD: Objection, objection; improper statement,  
5 Your Honor.

6 THE COURT: Okay. Overruled.

7 BY MR. KRAVIS:

8 Q. Where did that interview take place?

9 A. The interview took place here in Des Moines at the U.S.  
10 Attorney's office.

11 Q. Was the interview just one day or did it go over more than  
12 one day?

13 A. It went over two days.

14 Q. Were you the only FBI agent at that interview?

15 A. I was not. It was myself and Special Agent Manik Sahaghian.

16 Q. What was your role in this interview?

17 MR. BINNALL: Your Honor, at this point I'm just going  
18 to get our objection on the record that none of this can come in  
19 as to Mr. Kesari and again our objection that anything in this  
20 proffer session would be unfairly prejudicial. It can't come in  
21 as to Mr. Kesari as it violates his -- it's both hearsay to him.  
22 It also violates his Sixth Amendment rights.

23 THE COURT: The testimony concerning this event is  
24 only offered against defendant Benton. You cannot use it in any  
25 way against defendant Kesari.

1 MR. KRAVIS: Thank you, Your Honor.

2 BY MR. KRAVIS:

3 Q. What was your role in this interview?

4 A. As the lead case agent, my role in this interview was to ask  
5 the questions, to lead the interview and to also show Mr. Benton  
6 documents.

7 Q. How about Special Agent Sahaghian, what was her role in this  
8 interview?

9 A. Special Agent Sahaghian was there to take notes of the  
10 interview and to ask any follow-up questions that she saw fit if  
11 she needed to.

12 Q. Now, at the start of this interview with Mr. Benton, what,  
13 if anything, did you tell Mr. Benton about the ground rules for  
14 the interview?

15 A. I told Mr. Benton that the interview was voluntary, that it  
16 was not a requirement for Mr. Benton to speak to us pursuant to  
17 his grand jury subpoena to testify before the grand jury, that  
18 he could take breaks at any time, whether it be for something to  
19 drink, to go to the bathroom or to speak with his attorney.

20 Q. So Mr. Benton had an attorney there?

21 A. Yes.

22 Q. And during the course of this two-day interview, did  
23 Mr. Benton, in fact, from time to time take breaks to speak  
24 privately with his attorney?

25 A. Yes.

1 Q. Now, during the interview, did you ask Mr. Benton questions  
2 about whether during the time of the 2012 Ron Paul Presidential  
3 Campaign Mr. Benton was aware of the campaign's payments to  
4 Senator Sorenson?

5 A. Yes.

6 Q. Tell us about those questions and Mr. Benton's answers.

7 A. I asked Mr. Benton whether at the time that he was working  
8 on the campaign he knew about payments from the campaign to  
9 Senator Kent Sorenson, and Mr. Benton said no.

10 I asked Mr. Benton whether he was saying no because at  
11 the time he was working on the campaign the campaign didn't pay  
12 Mr. Sorenson directly. And Mr. Benton said, I'm not splitting  
13 hairs. The campaign did not pay Mr. Sorenson directly or  
14 indirectly.

15 I asked Mr. Benton whether he knew of any payments to  
16 Mr. Kent Sorenson indirectly through a third party on behalf of  
17 the campaign, and Mr. Benton said no.

18 I asked Mr. Benton whether he knew of any payments  
19 from ICT, Interactive Communication Technology, Noel Izon or  
20 Sonny Izon on behalf of the Ron Paul Campaign to Mr. Sorenson,  
21 and he said no.

22 Q. Now, just to be clear, was your focus on these questions on  
23 Mr. Benton's knowledge at the time of the campaign or on  
24 something else?

25 A. At the time of the campaign.

1 Q. And did Mr. Benton say in the interview that at the time of  
2 the campaign he was not aware of the payments to Kent Sorenson  
3 once or did he say it more than once over the course of the  
4 two-day period?

5 A. He said it several times over both days.

6 Q. Did Mr. Benton when he was giving those answers tell you  
7 that he was confused about the questions you were asking?

8 A. No.

9 Q. As a general matter, as a special agent with the FBI, what  
10 is your practice during an interview when the person you're  
11 interviewing tells you they're confused about the question?

12 A. I reformulate the question.

13 Q. Can we have Exhibit 87c again.

14 During the course of the interview, did you show  
15 Mr. Benton some documents?

16 A. Yes.

17 Q. And in particular, did you show Mr. Benton this e-mail  
18 exchange that appears in Government's Exhibit 87c?

19 A. Yes.

20 Q. After you showed this e-mail to Mr. Benton, did you give him  
21 an opportunity to change his answers?

22 A. Yes.

23 Q. Did he change any of his answers?

24 A. No, he did not.

25 Q. I'm going to ask you now about some e-mails related to

1 invoices for the month of May 2012. I'm going to start with  
2 what has been marked but not yet entered into evidence as  
3 Government's Exhibit 90.

4 Do you recognize Government's Exhibit 90?

5 A. Yes.

6 Q. What is Government's Exhibit 90?

7 A. This is an e-mail exchange between Kent Sorenson and  
8 sonnyizon@aol.com and Dimitri Kesari.

9 Q. What is the date of the e-mail exchange?

10 A. May 2 -- I'm sorry, May -- do you want me to read the  
11 bottom, the very bottom part that's cut off as well?

12 Q. Yes. The e-mails are from more than one day.

13 A. Right.

14 Q. What are the dates?

15 A. February 10, 2012; May 1, 2012, May 2, 2012; May 17, 2012.  
16 I think I got all of them.

17 Q. Where did this document come from?

18 A. This document -- can I see the second page? I'm sorry.

19 This document came from Dimitri Kesari's computer.

20 MR. KRAVIS: At this time the government moves Exhibit  
21 90 into evidence.

22 (Government Exhibit 90 was  
23 offered in evidence.)

24 MR. HOWARD: Same objection.

25 MR. BINNALL: Same objection.

1 THE COURT: The objection is overruled. 90 is  
2 received.

3 (Government Exhibit 90 was  
4 offered in evidence.)

5 BY MR. KRAVIS:

6 Q. As Government's Exhibit 90 comes up on the screen, I want to  
7 direct your attention to the e-mail in the middle of the page  
8 that begins on May 17, 2012 -- excuse me, it was sent on May 17,  
9 2012, at 9:11 p.m. from sonnyizon@aol.com.

10 Do you see that e-mail?

11 A. Yes.

12 Q. Can you read that e-mail out loud, please, and the one that  
13 appears above it.

14 A. On May 17, 2012, at 9:11 p.m., sonnyizon@aol.com wrote:

15 "Hi Kent.

16 "I know you are wrapping up work on the campaign. I  
17 was wondering if you will be sending a full or partial invoice  
18 for May. Please advise.

19 "Peace.

20 "Sonny."

21 Q. And the e-mail above it.

22 A. From Kent Sorenson. To sonnyizon@aol.com and Dimitri  
23 Kesari. Subject: Regarding May invoice? Sent Thursday, 17th  
24 of May 2012, 21:24.

25 "I ha an agreement with Dimitri that went thru the

1 month of June.

2 "Thanks.

3 "Kent."

4 Q. I'm going to direct your attention to what has now been  
5 marked but not entered into evidence as Government's Exhibit 92.

6 Do you recognize Government's Exhibit 92?

7 A. Yes.

8 Q. What is Government's Exhibit 92?

9 A. This is an e-mail from sonnyizon@aol.com to dkesari@aol.com.

10 Q. What is the date of this e-mail?

11 A. May 24, 2012.

12 Q. Where did this document come from?

13 A. The Ron Paul Presidential Campaign.

14 MR. KRAVIS: At this time the government moves Exhibit  
15 92 into evidence.

16 (Government Exhibit 92 was  
17 offered in evidence.)

18 MR. BINNALL: Objection on hearsay and authentication.

19 MR. HOWARD: Same objection.

20 THE COURT: Overruled. 92 is received.

21 (Government Exhibit 92 was  
22 received in evidence.)

23 BY MR. KRAVIS:

24 Q. As Government's Exhibit 92 is coming up on the screen, I'm  
25 going to start by asking you to read the e-mail that appears at

1 the top of this exhibit.

2 A. From sonnyizon@aol.com. Sent Thursday, May 24, 2012, 6:02  
3 p.m. To dkesari@aol.com. Subject: May invoice. Attachment.

4 "Hi Dimitri.

5 "I hope this finds you well and not too crazy as you  
6 wind down your operations for Ron. I don't know when you guys  
7 are going into closeout mode so I thought I'd better send this  
8 sooner than later. I will have one last one to send for June  
9 which I can also send ahead of time if that is helpful. Please  
10 advise.

11 "Peace.

12 "Sonny."

13 Q. And now take a look at the second page of Government's  
14 Exhibit 92, the attachment. Is this one of the ICT invoices  
15 that we saw earlier this morning?

16 A. Yes.

17 Q. I'm going to turn your attention now to what has been marked  
18 and already entered into evidence as Government's Exhibit 93.  
19 What is Government's Exhibit 93?

20 A. This is an e-mail from Dimitri Kesari to Fernando Cortes.

21 Q. What's the date?

22 A. May 24, 2012.

23 Q. Now I'm going to ask you to compare the attachment in  
24 Government's Exhibit 92, so the attachment in the May 24, 2012  
25 e-mail from sonnyizon@aol.com to dkesari@aol.com, compare that

1 attachment with the attachment to the May 24, 2012 e-mail from  
2 Dimitri Kesari to Fernando Cortes in Government's Exhibit 93.  
3 Same invoice or different invoices?

4 A. It's the same invoice.

5 Q. The last set of invoice e-mails that I'm going to ask you  
6 about concerns some e-mails regarding invoices for the month of  
7 June, 2012. I'm going to start with Government's Exhibit 97,  
8 which has been marked but not yet entered, and this is a  
9 redacted exhibit.

10 A. Mr. Kravis, do you mind handing me my water? Can I get my  
11 water, please? It's a lot of reading.

12 Yes, thank you.

13 Q. There you go.

14 Do you recognize Government's Exhibit 97?

15 A. I do.

16 Q. What is Government's Exhibit 97?

17 A. This is an e-mail between Sonny Izon and dkesari@aol.com --  
18 sorry; sonnyizon@aol.com and dkesari@aol.com.

19 Q. What is the date of this -- what are the dates of the two  
20 e-mails that appear in this exhibit?

21 A. June 18, 2012 and June 25, 2012.

22 Q. And where did this document come from?

23 A. Dimitri Kesari's computer.

24 MR. KRAVIS: At this time the government moves Exhibit  
25 97 into evidence.

1 (Government Exhibit 97 was  
2 offered in evidence.)

3 MR. BINNALL: That's going to be the same;  
4 authentication and hearsay.

5 MR. HOWARD: One moment.

6 (Pause.)

7 MR. HOWARD: Same objection, Your Honor.

8 THE COURT: Overruled. 97 is received.

9 (Government Exhibit 97 was  
10 received in evidence.)

11 BY MR. KRAVIS:

12 Q. As Government's Exhibit 97 that's coming up on the screen,  
13 I'm going to direct your attention to the two e-mails that  
14 appear at the top of the first page, and once it's up, I'm going  
15 to ask you to read those two e-mails out loud from the bottom  
16 up.

17 A. From Sonny Izon to D. Kesari. Sent Monday, June 18, 2012,  
18 4:57 p.m. Subject: June invoice.

19 "Hi Dimitri.

20 "Hope you are well. Since I will be on travel for  
21 most of the rest of the month, I'm sending you the June invoice.

22 "Peace.

23 "Sonny."

24 From sonnyizon@aol.com to dkesari@aol.com. Subject:  
25 Forward: June invoice. Sent Monday, 25th of June, 2012 at

1 17:05.

2 "Hey Dimitri.

3 "Here it is. Thanks for everything.

4 "Sonny."

5 Q. And turning to page 3 of Government's Exhibit 97, is this  
6 another one of the ICT invoices that we saw this morning?

7 A. Yes.

8 Q. I'm going to turn your attention now to what has been marked  
9 and entered into evidence as Government's Exhibit 98. This is  
10 an e-mail exchange between Dimitri Kesari and Fernando Cortes  
11 from June 25, 2012. I'm going to ask you to compare the  
12 attachment that appears in Government's Exhibit 98, that is the  
13 second page of Government's Exhibit 98, with the attachment that  
14 appears on the third page of Government's Exhibit 97, so the  
15 second page of Government's Exhibit 98 and the third page of  
16 Government's Exhibit 97.

17 Do you have those in front of you?

18 A. Yes.

19 Q. My question for you is this: The attachment to the e-mail  
20 that sonnyizon@aol.com sent to dkesari@aol.com on June 25, 2012,  
21 the attachment to Government's Exhibit 97, is that the same as  
22 or is it different than the attachment to the e-mail that  
23 Dimitri Kesari sent to Fernando Cortes on June 25, 2012,  
24 Government's Exhibit 98?

25 A. It's the same invoice.

1 Q. Same invoice?

2 A. Yes.

3 Q. I'm now going to turn your attention very briefly to what  
4 has been marked and entered into evidence as Government's  
5 Exhibit 100.

6 We saw this this morning. I'm not going to ask you to  
7 read the whole exhibit again. I'm just going to ask you to read  
8 the top e-mail from John Tate to Fernando Cortes on Monday,  
9 June 25, 2012, at 6:00 p.m.

10 A. From John Tate. Sent Monday, June 25, 2012, 6:00 p.m. To  
11 Fernando Cortes. Subject: Re: Wire-Interactive Communication  
12 Technology, Inc.

13 "I will find out what it is."

14 Q. Now I'm going to show you a document that has been marked  
15 but not yet admitted, not admitted yet, Government's Exhibit  
16 101.

17 Do you recognize Government's Exhibit 101?

18 A. Yes.

19 Q. What is Government's Exhibit 101?

20 A. This is an e-mail exchange between Katie Koerber, Fernando  
21 Cortes, John Tate, and Dimitri Kesari.

22 Q. What is the date of this e-mail exchange?

23 A. June 25, 2012.

24 Q. Where did this document come from?

25 A. The Ron Paul Presidential Campaign.

1 MR. KRAVIS: All right. At this time the government  
2 moves Exhibit 101 into evidence.

3 (Government Exhibit 101 was  
4 offered in evidence.)

5 MR. HOWARD: Hearsay objection, Your Honor.

6 MR. BINNALL: Hearsay objection as well as  
7 authentication.

8 THE COURT: Overruled. 101 is received.

9 (Government Exhibit 101 was  
10 received in evidence.)

11 BY MR. KRAVIS:

12 Q. Now what I'm going to ask you to do is compare the first  
13 page of Government's Exhibit 101 with the exhibit that we just  
14 saw, Government's Exhibit 100. And when you have them both up  
15 in front of you, I'm going to ask you to look at it. On  
16 Government's Exhibit 100, do you see the June 25, 2012, 5:49  
17 p.m., e-mail from Fernando Cortes, according to Dimitri is this  
18 the last one again? And the e-mail below it from Katie Koerber  
19 dated Monday, June 25, 2012. Do you see those in Government's  
20 Exhibit 100?

21 A. I do.

22 Q. Do those two e-mails, the e-mail from Fernando Cortes and  
23 the e-mail from Katie Koerber in Government's Exhibit 100, do  
24 they also appear in Government's Exhibit 101?

25 A. Yes.

1 Q. Okay. I want you to now read up from those e-mails, not the  
2 ones we already read. Just read up from those e-mails in 101.

3 No, sorry; just the top e-mail. There. Thank you.

4 A. From John Tate. Sent Monday, June 25, 2012, 6:00 p.m. To  
5 Dimitri Kesari. Subject: Forward: Wire-Interactive  
6 Communication Technology, Inc. Attachment.

7 "What is this? What is it for, who is it? Why do we  
8 keep paying them? The last payment was supposedly the last.

9 "John."

10 Q. Now I want you to turn to the attachment on Government's  
11 Exhibit 101, the third page of Government's Exhibit 101.

12 Now, the attachment to the June 25, 2012 e-mail from  
13 John Tate to Dimitri Kesari, is that one of the invoices that we  
14 saw this morning?

15 A. Yes.

16 Q. Now I'm going to direct your attention to what has been  
17 marked but not yet entered into evidence as Government's Exhibit  
18 102.

19 Do you recognize Government's Exhibit 102?

20 A. Yes.

21 Q. What is Government's Exhibit 102?

22 A. This is an e-mail exchange between Dimitri Kesari, John  
23 Tate, and Fernando Cortes, as well as Katie Koerber.

24 Q. What is the date of this e-mail exchange?

25 A. June 25, 2012.

1 Q. Where did this document come from?

2 A. Dimitri Kesari's computer.

3 MR. KRAVIS: At this time the government moves Exhibit  
4 102 into evidence.

5 (Government Exhibit 102 was  
6 offered in evidence.)

7 MS. SINFELT: Your Honor, we've previously made the  
8 government aware that we have the authentication objection to  
9 this document, so we would like to preserve that.

10 MR. BINNALL: Same objection, as well as the parts  
11 that are not from Mr. Kesari, the same objection, Your Honor.

12 THE COURT: Overruled. 102 is received.

13 (Government Exhibit 102 was  
14 received in evidence.)

15 BY MR. KRAVIS:

16 Q. Now, as Government's Exhibit 102 is coming up on the screen,  
17 I'm going to ask you to focus your attention on the top two  
18 e-mails at the top of the first page, the two e-mails at the top  
19 of the first page.

20 Now, the bottom e-mail, the one dated June 25, 2012,  
21 at 5:59 p.m., the e-mail from John Tate that begins, "What is  
22 this," is that the e-mail we just saw in Government's Exhibit  
23 101?

24 A. Yes.

25 Q. Now, I would like you to read the next e-mail up.

1 A. From Dimitri Kesari to John Tate. Subject: Re:  
2 Wire-Interactive Communication Technology, Inc. Sent Monday,  
3 25th of June, 2012, at 18:22.

4 "This is the last payment for Kent Sorenson.

5 "The deal Jesse agreed to with Kent."

6 Q. Turn your attention now to Government's Exhibit 103.

7 Do you recognize Government's Exhibit 103?

8 A. Yes.

9 Q. What is it?

10 A. This is an e-mail exchange between Katie Koerber, Fernando  
11 Cortes, John Tate, and Dimitri Kesari.

12 Q. What's the date of the e-mail exchange?

13 A. June 25, 2012.

14 Q. Where did this document come from?

15 A. The Ron Paul Presidential Campaign.

16 MR. KRAVIS: At this time the government moves Exhibit  
17 103 into evidence.

18 (Government Exhibit 103 was  
19 offered in evidence.)

20 MR. BINNALL: Hearsay and authentication, Your Honor.

21 MR. HOWARD: Your Honor, again, we thought another  
22 agent was going to authenticate this. The agent can't; but  
23 anyway, authentication issue, objection.

24 THE COURT: Overruled. 103 is received.

25

1 (Government Exhibit 101 was  
2 offered in evidence.)

3 BY MR. KRAVIS:

4 Q. Okay. As 103 is coming up on the screen, I'm going to ask  
5 you to turn your attention to the top three e-mails.

6 In that group, the middle e-mail on June 25, 2012, at  
7 5:59 p.m. from John Tate, is that the same e-mail we saw in  
8 Government's Exhibit 101 of "What is this? What is it for?"

9 A. Yes.

10 Q. I would like you to read the next two e-mails up from there.

11 A. From Dimitri Kesari. Date Monday, 25th of June, 2012, at  
12 18:23. To John Tate. Subject: Regarding wire-Interactive  
13 Communication Technology, Inc.

14 "It was for 6 months."

15 From johnt@ronpaul2012.com. Sent on June 25, 2012, at  
16 6:24 p.m. To Dimitri Kesari. Subject: Re: Wire-Interactive  
17 Communication Technology, Inc.

18 "Ok. Thanks."

19 Q. What was the time from John Tate on Monday, June 25, 2012,  
20 the one that read, "It was for 6 months"?

21 A. 18:23, so 6:23.

22 Q. What time was the e-mail from johnt@ronpaul2012.com to  
23 Dimitri Kesari?

24 A. At 6:24 p.m.

25 Q. Now I'm going to show you what has been marked and entered

1 into evidence as Government's Exhibit 104.

2 This was an e-mail exchange we saw this morning. I'm  
3 not going to ask you to read the whole thing. I'm just going to  
4 direct your attention to the top e-mail in this chain -- well,  
5 actually the top two e-mails; I'm sorry.

6 Okay. Now, the bottom of these e-mails, the one from  
7 Fernando Cortes to John Tate, is this the one we saw a moment  
8 ago in a previous exhibit, "According to Dimitri, is this the  
9 last one (again)?"

10 A. Yes.

11 Q. What is the response from johnt@ronpaul2012.com in  
12 Government's Exhibit 104?

13 A. You want me to read the entire e-mail?

14 Q. Just the top e-mail from johnt@ronpaul2012.com to Fernando  
15 Cortes?

16 A. From johnt@ronpaul2012.com. Sent Monday, June 25, 2012,  
17 6:24 p.m. To Fernando Cortes. Subject: Re: Forward:  
18 Wire-Interactive Communication Technology, Inc.

19 "Approved."

20 Q. When did johnt@ronpaul2012 write that e-mail approving?

21 A. At 6:24 p.m.

22 Q. The same time as the last e-mail we just saw?

23 A. Correct.

24 Q. I'm going to turn your attention -- oh, before I do that,  
25 I'm going to show defense counsel what has been marked for

1 identification and previously provided as Government's Exhibit  
2 159.

3 Special Agent LoStracco, I'm handing you what has been  
4 marked for identification as Government's Exhibit 159. Do you  
5 recognize Government's Exhibit 159?

6 A. Yes.

7 Q. Is this the same e-mail exchange we've just been looking at  
8 from June 25, 2012, that ends with Mr. Kesari's e-mail, "It was  
9 for 6 months"?

10 A. Yes.

11 Q. Where did this version of this e-mail exchange come from?

12 A. This came from Dimitri Kesari's computer.

13 MR. KRAVIS: All right. At this time the government  
14 moves Exhibit 159 into evidence.

15 (Government Exhibit 159 was  
16 offered in evidence.)

17 MS. SINFELT: Your Honor, we're aware that another  
18 special agent will be testifying about this later, so we would  
19 like to preserve our authentication objection.

20 MR. BINNALL: On the same issue we would also like to  
21 reserve that and also state that it's not referring to  
22 Mr. Kesari.

23 THE COURT: 159 is received.

24 MR. KRAVIS: Thank you.

25

1 (Government Exhibit 159 was  
2 received in evidence.)

3 BY MR. KRAVIS:

4 Q. Special Agent LoStracco, we're going to turn your attention  
5 now to some e-mails on a different topic, some e-mails from  
6 December 28th and 29th of 2011. I'm going to start with what  
7 has been marked but not yet entered into evidence as  
8 Government's Exhibit 63.

9 Do you recognize Government's Exhibit 63?

10 A. I do.

11 Q. What is Government's Exhibit 63?

12 A. This is an e-mail exchange between Dimitri Kesari,  
13 fernandoc@ronpaul2012.com, Jesse Benton and John Tate.

14 Q. Where did this document come from?

15 A. This document came from Dimitri Kesari's computer.

16 Q. And what are the dates of the e-mails that appear in this  
17 exhibit?

18 A. December 28, 2011 and December 29, 2011.

19 MR. KRAVIS: At this time the government moves  
20 Government's Exhibit 63 into evidence.

21 (Government Exhibit 63 was  
22 offered in evidence.)

23 MR. BINNALL: Objection as to the hearsay as to the  
24 part not about Mr. Kesari.

25 MR. HOWARD: Your Honor, at this point our objection

1 is a little different. These are a whole series of wires.  
2 They're from Fernando Cortes. Mr. Cortes was here. He's  
3 released. Now we're denied an opportunity to --

4 MR. KRAVIS: I'm sorry, at this point I'm going to  
5 object to speaking objections.

6 THE COURT: That's all right. 63 isn't a wire. It's  
7 about a wire.

8 MR. HOWARD: It's about a wire, Your Honor. The  
9 person who delivered them was just here and released and now  
10 they're trying to get it in through an agent.

11 THE COURT: Overruled. Exhibit 63 is received.

12 (Government Exhibit 63 was  
13 received in evidence.)

14 BY MR. KRAVIS:

15 Q. As Government Exhibit 63 is coming up on the screen, I'm  
16 going to direct your attention to the two e-mails that appear at  
17 the top of the first page.

18 Okay. Starting with the e-mail from Dimitri Kesari on  
19 December 28, 2011, at 7:36 p.m., can you read up from the top --  
20 or up from the bottom to the top?

21 A. From Dimitri Kesari to fernandoc@ronpaul2012.com, cc Benton,  
22 Jesse, cc John Tate. Subject: Wire needed. Sent December 28,  
23 2011, 7:36 p.m.

24 "I will need a wire for 25,000 first thing in the  
25 morning. Jesse has approved.

1 "I will get you the wire info tonight.

2 "Could you send me the form?"

3 Q. And could you now read the e-mail that appears above that?

4 A. From johnt@ronpaul2012.com to Dimitri Kesari and  
5 fernandoc@ronpaul2012.com, cc Benton, Jesse. Subject: Re:  
6 Wire needed. Sent Thursday, the 29th of December 2011, at 1:38.

7 "Yep approved."

8 Q. Okay. Going back down for a minute, what was the time of  
9 the e-mail from Dimitri Kesari to fernandoc requesting the wire,  
10 moving down a little bit, a little farther.

11 There we go.

12 A. That was at 7:36 p.m. the night of the 28th.

13 Q. Now I'm going to turn your attention to what has been marked  
14 but not yet entered into evidence as Government's Exhibit 49.

15 Do you recognize Government's Exhibit 49?

16 A. Yes.

17 Q. What is it?

18 A. This is an e-mail exchange between Rachel Weiner and Jesse  
19 Benton.

20 Q. What's the date of the e-mail exchange?

21 A. December 28, 2011.

22 MR. KRAVIS: At this time the government moves Exhibit  
23 49 into evidence.

24 (Government Exhibit 49 was  
25 offered in evidence.)

1 MR. BINNALL: Objection; hearsay and -- yeah,  
2 objection; hearsay.

3 MR. HOWARD: Your Honor, we're objecting. This is  
4 hearsay. We believe it's irrelevant.

5 THE COURT: So what are you offering this pursuant to?  
6 Is this an admission of a party opponent or subsection (E) case?

7 MR. KRAVIS: Both.

8 THE COURT: I'm going to reserve ruling on that.  
9 We'll visit about that over the next break.

10 MR. KRAVIS: May we admit it as an admission of a  
11 party opponent now?

12 THE COURT: Certainly as to Jesse Benton, yes.

13 MR. KRAVIS: Fine. We'll move it into evidence as an  
14 admission of a party opponent now.

15 THE COURT: Then it's only admissible as to  
16 Mr. Benton, not to Mr. Kesari.

17 MR. BINNALL: We would also then make a rule 403  
18 unfair prejudice objection at this time.

19 THE COURT: That is overruled.

20 Thank you.

21 (Government Exhibit 49 was  
22 received in evidence.)

23 BY MR. KRAVIS:

24 Q. As Government's Exhibit 49 is coming up on your screen, I'm  
25 going to ask you to read the two e-mails that appear, two brief

1 e-mails that appear on the first page of Government's Exhibit  
2 49.

3 A. On December 28, 2011, at 9:12 p.m., Rachel Weiner wrote:  
4 Per your response to the Bachmann charges regarding money  
5 offered to Sorenson. And it's signed Rachel Weiner of the  
6 Washington Post.

7 From Jesse Benton. Sent Wednesday, December 28, 2011,  
8 10:29 p.m. To Rachel Weiner. Subject: Re: Should have also  
9 asked.

10 "We are not paying Senator Sorenson. He has realized  
11 that Dr. Paul is the only viable conservative alternative to  
12 establishment, status quo Mitt Romney, and is now working to  
13 help us succeed in Iowa."

14 Q. At what time on December 28, 2011, did Mr. Benton send that  
15 e-mail to Ms. Weiner?

16 A. 10:29 p.m.

17 Q. So a few hours after the last e-mail we just showed you from  
18 Mr. Kesari?

19 A. Correct.

20 Q. I'm going to show you what has been marked but not yet in  
21 evidence as Government's Exhibit 50 -- I should say it has been  
22 marked and identified by a previous witness but not yet entered,  
23 Government's Exhibit 50.

24 What is Government's Exhibit 50?

25 A. This is an e-mail exchange between Linda Feldmann and Jesse

1 Benton.

2 Q. What's the date of the e-mail exchange?

3 A. December 29, 2011.

4 MR. KRAVIS: At this time the government moves Exhibit  
5 50 into evidence as an admission of a party opponent reserving  
6 the right to admit under (d) (2) (E).

7 (Government Exhibit 50 was  
8 offered in evidence.)

9 MR. BINNALL: I have the same objection, and I  
10 understand the court will probably rule the same way. I have  
11 one more objection and I think to the last one, too, that  
12 they're relying on time stamps, and that's a different hearsay  
13 issue because that's not something that these particular  
14 individuals are writing up, that it's coming up from a time  
15 stamp on a server someplace, and I don't think that time stamp  
16 has been properly authenticated.

17 THE COURT: Mr. Howard, do you object?

18 MR. HOWARD: Your Honor, we'll join in that objection  
19 and our previous ones.

20 THE COURT: Overruled. It's being admitted against  
21 defendant Benton only, not defendant Kesari. The objection is  
22 overruled.

23 (Government Exhibit 50 was  
24 received in evidence.)

25 BY MR. KRAVIS:

1 Q. As Government's Exhibit 50 is coming up on the screen, I'm  
2 going to ask you to read from the bottom the two e-mails that  
3 appear on the top of the first page of Government's Exhibit 50.

4 A. On December 29th of 2011, at 8:53 a.m., Feldmann, Linda  
5 wrote:

6 "Jesse -

7 "Will Kent Sorenson be getting a salary from the Paul  
8 campaign?

9 "Best.

10 "Linda Feldmann, CS Monitor."

11 Q. Can you read the next e-mail up.

12 A. To Feldmann, Linda, from Jesse Benton. Sent Thursday,  
13 December 29, 2011, at 2:53 p.m. Subject: Re: Question.

14 "No, he will not."

15 Q. And when did -- what day did Mr. Benton respond to Linda  
16 Feldmann, "no, he will not"?

17 A. December 29, 2011.

18 Q. So the afternoon after the e-mail we saw from Mr. Kesari  
19 requesting the wire?

20 A. Correct.

21 Q. Now I'm going to turn your attention to Government's Exhibit  
22 64, which has been marked but not yet admitted.

23 Do you recognize Government's Exhibit 64?

24 A. Yes.

25 Q. What is Government's Exhibit 64?

1 A. This is an e-mail exchange between Jesse Benton, Fernando  
2 Cortes, Dimitri Kesari, and John Tate.

3 Q. What is the date of the e-mail exchange?

4 A. December 29, 2011.

5 Q. And where did this document come from?

6 A. I believe it was the Dimitri Kesari computer. I just need a  
7 second page to tell you.

8 Q. Oh, sorry.

9 A. Yes, Dimitri Kesari's computer.

10 MR. KRAVIS: All right. At this time the government  
11 moves Exhibit 64 into evidence.

12 (Government Exhibit 64 was  
13 offered in evidence.)

14 MR. HOWARD: Your Honor, at this point the government  
15 has a relevance objection --

16 MS. SINFELT: Defendant.

17 MR. HOWARD: I apologize; Mr. Benton has a relevance  
18 objection. The government has yet to show anyone to connect  
19 this request, this e-mail to anything that has to do with  
20 Mr. Benton, Mr. Sorenson, or Mr. Kesari. This e-mail isn't  
21 attached to any invoice, just says the wire, not talking  
22 about --

23 THE COURT: I get it.

24 MR. BINNALL: We join in that objection and as well  
25 ask that the parts that are not from Mr. Kesari not be entered

1 against him especially with the dates that are at issue now. I  
2 think that's important. And to the extent any of the time  
3 stamps are being offered for the truth, we object to those as  
4 hearsay as well.

5 THE COURT: Overruled. 64 is received.

6 (Government Exhibit 64 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. Okay. As Government's Exhibit 64 comes up on the screen,  
10 I'm going to ask you to read the e-mail exchange from the bottom  
11 up. I believe the first e-mail sort of starts at the bottom of  
12 page 1, Thursday, December 29, 2011, 12:28 p.m. e-mail. That  
13 carries on to the second page and then it goes up from there.

14 A. On Thursday, December 29, 2011, at 12:28 p.m., Fernando  
15 Cortes wrote:

16 "Dimitri."

17 Q. And now if we could get page 2.

18 A. "Is this invoice still on for today? Please send when you  
19 get.

20 "Wire window closes at 3:00 p.m. Central/4:00 p.m.  
21 Eastern.

22 "Thanks.

23 "Fernando."

24 Q. If we could go back to page 1 and look at the next e-mail  
25 up, which is the December 29, 2011, 2:20 p.m. e-mail, again from

1 Fernando Cortes.

2 A. On December 29, 2011, at 2:20 p.m. Fernando Cortes wrote:

3 "40 min left in the window if we need to get this out  
4 today."

5 Q. Can we see the next e-mail above that?

6 A. From Jesse Benton. Dated Thursday, December 29, 2011, at  
7 14:30. To Fernando Cortes. Cc Dimitri Kesari, Jesse Benton,  
8 and John Tate. Subject: Regarding 25k wire.

9 Q. And if you can -- no need to go down and see the text.  
10 Thank you.

11 A. "Hold for a couple days."

12 Q. And the e-mail from Mr. Benton saying, "Hold for a couple of  
13 days," when was that sent? If you go up, when was that sent?

14 A. Thursday, December 29, 2011.

15 Q. At what time?

16 A. 14:30, 2:30.

17 Q. Okay. Can you read up from there?

18 A. From johnt@ronpaul2012.com. Sent Thursday, December 29,  
19 2011, at 2:32 p.m. to Benton, Jesse and Fernando Cortes. Cc  
20 Dimitri Kesari and Jesse Benton.

21 Subject: Regarding 25k wire.

22 "Yep. We are going to."

23 Q. And finally the top e-mail.

24 A. From Dimitri Kesari to johnt@ronpaul2012.com, Benton, Jesse,  
25 Fernando Cortes. Cc Dimitri Kesari and Jesse Benton. Subject:

1 Regarding 25k wire. Sent Thursday, 29th of December, 2011 at  
2 16:03.

3 "We are holding till after the filing."

4 Q. I'm going to turn your attention now to what's been marked  
5 but not yet entered into evidence as Government's Exhibit 65.

6 Do you recognize Government's Exhibit 65?

7 A. Yes.

8 Q. What is Government's Exhibit 65?

9 A. This is an e-mail exchange between Fernando Cortes, Dimitri  
10 Kesari, Jesse Benton, and John Tate.

11 Q. What is the date of the e-mail exchange?

12 A. December 29, 2011.

13 Q. Where did this document come from?

14 A. This document came from Dimitri Kesari's computer.

15 MR. KRAVIS: At this time the government moves Exhibit  
16 65 into evidence.

17 (Government Exhibit 65 was  
18 offered in evidence.)

19 MR. HOWARD: Your Honor, three of the people are here,  
20 one that could have been cross-examined. They didn't. They're  
21 taking this from an agent. We believe this is prejudicial,  
22 hearsay. We still don't believe it's relevant, they haven't  
23 tied it up except for Agent LoStracco just testifying.

24 THE COURT: Thank you.

25 Mr. Binnall?

1 MR. BINNALL: The hearsay objection to the statements  
2 not coming in as to Mr. Kesari again especially the time frame  
3 that we're at, the 29th of December.

4 THE COURT: Overruled. 65 is received.

5 (Government Exhibit 65 was  
6 received in evidence.)

7 BY MR. KRAVIS:

8 Q. Now, as Government Exhibit --

9 MR. HOWARD: Excuse me, Mr. Kravis. I apologize.

10 Your Honor, if we could correct, these e-mails don't  
11 always include Mr. Benton. They make the characterization that  
12 Mr. Benton is part of this, but the last one he clearly isn't.

13 THE COURT: They're self-explanatory in that regard.

14 BY MR. KRAVIS:

15 Q. Now, I'm not going to ask you to read this whole exchange.  
16 I'm going to ask you to first look at the e-mail that appears at  
17 the bottom of the first page of Government's Exhibit 65, the  
18 e-mail from Fernando Cortes, Thursday, December 29, 2011, at  
19 11:29 a.m. that begins, "Dimitri, is this invoice still on for  
20 today?" Is that the same e-mail that we saw at the bottom of  
21 the previous exhibit, Government's Exhibit 64?

22 A. Yes.

23 Q. Okay. Now I'm going to ask you to move up to the top, and  
24 I'm going to ask you to read just the top e-mail from Dimitri  
25 Kesari to Fernando Cortes.

1 A. From Dimitri Kesari to Fernando Cortes. Subject: Regarding  
2 25k wire. Sent Thursday, 29th of December, 2011, 16:01.

3 "I don't want it showing up on this quarter filings.

4 "Can we program it in for the 2nd?

5 What was the day, time when Dimitri Kesari wrote  
6 Fernando Cortes, "I don't want it showing up on this quarter  
7 filings."

8 Thursday --

9 MR. BINNALL: Just to make sure I preserve it, the  
10 objection to the time stamp again, Your Honor.

11 THE COURT: Overruled.

12 A. Thursday, 29th of December 2011, at 16:01.

13 BY MR. KRAVIS:

14 Q. The final exhibit I would show you on this subject is  
15 Government's Exhibit 67, which is a redacted exhibit which has  
16 been marked but not yet admitted.

17 Do you recognize Government's Exhibit 67?

18 A. Yes.

19 Q. What is Government's Exhibit 67?

20 A. This is an e-mail from John Tate to Fernando Cortes.

21 Q. What's the date of the e-mail?

22 A. The date is Thursday, December 29, 2011.

23 MR. KRAVIS: At this time the government moves Exhibit  
24 67 into evidence.

25

1 (Government Exhibit 67 was  
2 offered in evidence.)

3 MR. BINNALL: Your Honor, this is most certainly  
4 hearsay and especially again on the time frame. That's our  
5 objection.

6 Your Honor, we also oppose the redaction in this one.

7 THE COURT: I couldn't hear that.

8 MR. BINNALL: Under the rule of completeness, we  
9 oppose the redaction.

10 THE COURT: I don't have a copy of the unredacted.  
11 Maybe someone has that.

12 MR. BINNALL: We have a copy.

13 MR. KRAVIS: And the government redacted the exhibit  
14 because I believe the bottom e-mail from Mr. Cortes is hearsay.

15 THE COURT: The objection to 67 is overruled. It is  
16 received.

17 (Government Exhibit 67 was  
18 received in evidence.)

19 MR. HOWARD: And, Your Honor, we have an objection as  
20 to co-conspirator statements. Mr. Benton isn't charged with  
21 co-conspirator statements.

22 THE COURT: Thanks.

23 BY MR. KRAVIS:

24 Q. Turn your attention to the e-mail that appears at the top of  
25 Government's Exhibit 67. It's short. Would you just read it

1 for us?

2 A. From John Tate. Sent Thursday, December 29, 2011, at 6:41  
3 p.m. To Fernando Cortes. Subject: Regarding COH.

4 "Thanks. There will not be the 25k Dimitri wire for  
5 now. Wipe it off the books."

6 Q. Now, in the interview that you conducted with Mr. Benton in  
7 July of 2014, did you ask Mr. Benton about these e-mails about  
8 the \$25,000 wire?

9 A. Yes.

10 Q. And what, if anything, did Mr. Benton say about those  
11 e-mails?

12 A. Mr. Benton said he knew the \$25,000 wire was intended for  
13 then Senator Kent Sorenson.

14 MR. HOWARD: Objection, Your Honor.

15 MS. SINFELT: Objection, Your Honor.

16 THE COURT: Overruled.

17 A. Mr. Benton said that he said hold for a couple of days  
18 because he, quote, wanted to screw Kent Sorenson and that  
19 Mr. Benton had already gone to the press and told the press that  
20 Kent Sorenson was not being paid by the campaign, that he could  
21 not lie to the media because it would show up on the FEC  
22 reports.

23 MR. BINNALL: Your Honor, we would ask for a limiting  
24 instruction on that.

25 THE COURT: Yeah. And, again, anything that was said

1 at that interview only applies to defendant Benton.

2 MR. HOWARD: Your Honor, we've asked for the  
3 statements that were false. This we have never heard before.

4 THE COURT: You can cross-examine on that then.  
5 That's cross-examination. That's not grounds for objecting now.

6 BY MR. KRAVIS:

7 Q. Special Agent LoStracco, I'm going to give you just a  
8 temporary break from reading e-mails. I'm going to show defense  
9 counsel and then you what has been marked for identification as  
10 Government's Exhibits 143, 144, 145, 146, 147, 148 --

11 MR. BINNALL: Your Honor, while we're looking at that,  
12 just because I kind of know what's coming up here and I know we  
13 have a pretty substantive objection on this, I don't know if the  
14 court wants to hear the basics of it now or maybe after the  
15 afternoon recess; but there's a pretty substantive objection on  
16 this one.

17 THE COURT: So if we need to, we might take a little  
18 early recess today.

19 What else have you got for 15 minutes? Back to the  
20 e-mail or something that you could go back to for 15 minutes  
21 with and then we'll take our break and then take this up over  
22 the break?

23 MR. KRAVIS: Absolutely.

24 BY MR. KRAVIS:

25 Q. I promised you a break from the e-mails. I misled you.

1 I'm going to show you what's been marked for  
2 identification as Government's Exhibit 153. Showing this  
3 document to defense counsel.

4 MR. BINNALL: This is going to be the same issue.

5 MR. KRAVIS: 153.

6 BY MR. KRAVIS:

7 Q. Special Agent LoStracco, in the course of the investigation,  
8 did the FBI subpoena some bank records for Mr. Sorenson's  
9 company, Grassroots Strategy, Inc.?

10 A. Yes.

11 Q. I'm showing you what's been marked for identification as  
12 Government's Exhibit 153.

13 Do you recognize Government's Exhibit 153?

14 A. Yes.

15 Q. What is Government's Exhibit 153?

16 A. These are bank statements obtained from Mr. Sorenson's bank.

17 Q. And just to be clear, is Government's Exhibit 153 all of the  
18 records the FBI got from the bank or just an excerpt of those  
19 records?

20 A. No. It's an excerpt from those records.

21 MR. KRAVIS: At this time the government moves Exhibit  
22 153 into evidence.

23 (Government Exhibit 153 was  
24 offered in evidence.)

25 MR. BINNALL: This is going to be part of that same

1 objection I was talking about and substantive. Maybe we better  
2 handle it now.

3 THE COURT: Yes, I think it's time for our  
4 midafternoon recess. I'm going to visit with the lawyers about  
5 this. Let's do that. We'll take about 20 minutes now. If it's  
6 going to be any longer, I'll let you know.

7 (In open court, out of the presence of the jury.)

8 THE COURT: Please be seated.

9 Why don't you use the microphone too, Mr. Binnall.  
10 Sometimes I have a hard time hearing you.

11 MR. BINNALL: Very well. Your Honor, I believe they  
12 are going to try and authenticate these bank records and the  
13 absentee records with essentially an affidavit on both of those,  
14 Your Honor. I cannot cross-examine an affidavit. When you look  
15 at the cases, specifically the case of Melendez-Diaz versus  
16 Massachusetts from 2009 from the Supreme Court, it talks about  
17 that. The confrontation clause of the Constitution makes it so  
18 you don't have trial by affidavit, and that's what they're  
19 attempting to do here through documentation and putting these  
20 particular records in through an affidavit where I can't -- and  
21 it's primarily -- I'm primarily concerned with the FEC records  
22 because these are records that have to be filed by law. And the  
23 authentication of FEC records is kind of an interesting issue  
24 because you can tamper with FEC records legally. It's called  
25 salting, for instance. And so authentication to make sure that

1 these are actually the correct records is very important, and to  
2 have this done only by an affidavit violates Melendez-Diaz,  
3 violates the Sixth Amendment of the Constitution, and it is  
4 improper in this case, Your Honor. And we do object to them  
5 coming in that way, and for the very similar issues with the  
6 banking records as well.

7 THE COURT: Are you saying for confrontation purposes  
8 that these are testimonial in nature?

9 MR. BINNALL: Yes, Your Honor.

10 THE COURT: How?

11 MR. BINNALL: Well, first of all, you have the  
12 affidavit saying that they are what they are, and that's  
13 testimonial. And then the records themselves are also testimony  
14 in this case because it's something that is anticipated to be  
15 used in a criminal investigation. They have to be followed by  
16 law. It's a statement directly --

17 THE COURT: Hold it. You're not saying these are  
18 filed for use in a criminal investigation. They're filed in the  
19 routine course of Federal Election Commission business, right?

20 MR. BINNALL: Yes, Your Honor.

21 THE COURT: They're often used in criminal cases, I  
22 assume they could be, but --

23 MR. BINNALL: They are, Your Honor, and it comes with  
24 that penalty that you have to actually report that information,  
25 the very reason that we're here today. And it's a statement

1 that I think it is very analogous to somebody having their blood  
2 taken for a DUI or a drug test and then you actually go for the  
3 affidavit itself, which is most certainly testimonial in nature,  
4 and in this case it's material for the affidavit with the  
5 absentee records because of the fact, like I said, that FEC  
6 records can be changed by law.

7 THE COURT: Which exhibit is the affidavit?

8 MR. BINNALL: Each and every one of them have a stamp  
9 on them saying it's a true and accurate copy.

10 THE COURT: Thank you. I get it.

11 MR. BINNALL: See that?

12 THE COURT: Yep.

13 MR. BINNALL: So that's our problem, our objection  
14 with them coming in that way.

15 MR. HOWARD: Your Honor, we join.

16 I wanted to bring up the proffer again. As I  
17 understood your ruling, certainly false statements they can  
18 prosecute, and they can use those false statements in  
19 prosecution, as I understood it from you, under two conditions  
20 precedent. They wanted -- what they're using now are statements  
21 they are deeming truthful statements. Those remain protected.  
22 As far as the proffer agreement is concerned, nobody has made a  
23 decision that anything is false.

24 THE COURT: The proffer agreement doesn't make any  
25 distinction between statements that the government contends are

1 true and statements that they contend are false. The proffer  
2 agreement simply says these, the statements from the proffer can  
3 be used in a proffer for false statements, obstruction of  
4 justice in the current investigation and/or perjury. And so I  
5 don't see there being a distinction between whether the  
6 government claims the statements are true or false as it relates  
7 to any language from the proffer agreement.

8 MR. HOWARD: Except for the preamble seems to indicate  
9 that the statements that will be contested are the false  
10 statements. You know, in essence, in a situation like that, the  
11 entire proffer agreement gets opened up for examination simply  
12 based on a decision by the government as opposed to a decision  
13 by the jury.

14 THE COURT: I don't think the preamble makes that  
15 implication. So your objection is overruled. I understood  
16 that. You filed that this weekend -- or before this weekend in  
17 the motion where you said the government, in your opinion, could  
18 not use statements that it believed were true, but I disagree.  
19 I think the proffer agreement just identifies the circumstance  
20 under which the proffer statements can be made and not any  
21 delineation as to whether the government contends those  
22 statements are true or false.

23 MR. HOWARD: And, obviously, we join in Mr. Binnall's  
24 objection.

25 THE COURT: Okay.

1           MR. KRAVIS: Your Honor, the bank records and the FEC  
2 records are handled under two different rules. With respect to  
3 the bank records, Federal Rule of Evidence 902(11) says that a  
4 certified business record is self-authenticating as long as the  
5 proponent provides the opposing party with the documents and the  
6 certification and a reasonable opportunity, a fair opportunity  
7 to challenge.

8           So this was all produced in discovery. And two weeks  
9 ago I sent defense counsel the certification and the excerpts of  
10 the records that we intended to use and told them that we would  
11 be moving them into evidence under this provision, and no one  
12 exercised their fair opportunity to challenge. So the records  
13 are admitted as business records under 803(6) and 902(11).

14           The FEC documents are governed by Federal Rule of  
15 Evidence 902(1). Federal Rule of Evidence 902(1) says that  
16 domestic public documents are self-authenticating and do not  
17 require any extrinsic evidence of authenticity to be admitted as  
18 long as the document bears a seal that purports to be that of  
19 political subdivision of the United States and a signature  
20 purporting to be an execution or attestation. I have in my hand  
21 certified copies from the FEC with raised seals and a signature  
22 purporting to be an execution or attestation.

23           Again, we gave the defendants plenty of notice that  
24 this was our intention to admit these documents. The Rules of  
25 Evidence does not require any extrinsic evidence, and the court

1 has already I think made pretty clear these are not testimonial  
2 documents for purposes of the confrontation clause.

3 THE COURT: And will Mr. Sorenson also be testifying  
4 as to these bank records?

5 MR. PILGER: Yes, Your Honor, Mr. Sorenson will  
6 testify with the bank records.

7 THE COURT: Okay. The FEC documents for sure will be  
8 admitted. I'll reserve ruling on the bank records.

9 We'll be back -- we're going to take 20 minutes. And  
10 tell the jury we'll be back at 3:00.

11 (Recess at 2:40 p.m., until 2:58 p.m.)

12 (In open court, in the presence of the jury.)

13 THE COURT: Please be seated.

14 So, members of the jury, we're going to suspend the  
15 testimony of Agent LoStracco for a little bit here to  
16 accommodate some people from out of town. So we'll just kind of  
17 put that one on hold for a minute. And we do this mostly for  
18 the convenience of out-of-town witnesses.

19 So the government tells me that they've got some  
20 out-of-town folks that they're trying to get in and out today  
21 and the defendants don't object, so we're going to do that.

22 Call your next witness, please.

23 MR. PILGER: The United States calls Lori Pyeatt, Your  
24 Honor.

25 THE COURT: Come forward, and she'll administer your

1 oath.

2 THE CLERK: Raise your right hand.

3 LORI PYEATT, GOVERNMENT'S WITNESS, SWORN

4 THE CLERK: Please be seated.

5 DIRECT EXAMINATION

6 BY MR. PILGER:

7 Q. Good afternoon, Ms. Pyeatt.

8 A. Good afternoon.

9 Q. You have some water there that's yours from before.

10 A. Yeah.

11 Q. Now, Ms. Pyeatt, you're related to one of the defendants  
12 here today; is that right?

13 A. I am.

14 Q. And who is that?

15 A. Jesse Benton, my son-in-law.

16 Q. And so he's married to one of your children?

17 A. He is.

18 Q. Now, Ms. Pyeatt, have you worked for your father in the  
19 past?

20 A. Yes, I have.

21 Q. And who's your father?

22 A. Ron Paul.

23 Q. And specifically turning your attention to the 2012 election  
24 campaign, did you work for your father's campaign in the years  
25 2011 and 2012?

1 A. Yes.

2 Q. And what was your job for the campaign?

3 A. My title was treasurer.

4 Q. And as the treasurer, where did you work?

5 A. At an office in Clute, Texas.

6 Q. Clute, is that near Houston?

7 A. Yes, about 50 miles south.

8 Q. And as the treasurer, what were your duties for the  
9 campaign?

10 A. Well, I had a lot of duties, but I ultimately wrote checks  
11 to people that needed to get checks written to, and I helped  
12 prepare FEC reports.

13 Q. So the checks that you would write people, were they checks  
14 paying expenditures of the campaign?

15 A. Paid expenditures of the campaign, yes.

16 Q. And was that one of your primary duties?

17 A. Yes.

18 Q. And what would be the basis for your decision whether or not  
19 to pay an expense of the campaign?

20 A. Well, it usually came from authority above us, and Fernando  
21 would get it and he would code it, and then we would pay it via  
22 e-mail.

23 Q. Very well. So there's a couple of things in there. Let's  
24 pull them apart a little bit.

25 You talked about there were people who could decide to

1 make an expenditure, right?

2 A. Yes.

3 Q. Can you hear me okay?

4 A. Uh-huh.

5 Q. And who were the people who were approved to make decisions  
6 on whether an expenditure should happen? Who were those people?

7 A. I don't know if there's an actual list of people that were  
8 okayed to do checks, but for sure like John Tate would approve  
9 checks and Jesse and Dimitri had approved checks, but I don't  
10 know that there really was -- you know, that I knew that, okay,  
11 four people were allowed to approve checks. It wasn't really  
12 like that. It seemed like once it got to Fernando, it was  
13 approved by whoever it needed to be approved by.

14 Q. Yes, ma'am. And I'm going to ask you some questions about  
15 Mr. Cortes in a second; but from your personal knowledge, is  
16 your testimony that Mr. Tate, Mr. Benton, and Mr. Kesari could  
17 approve the expenditure of funds by the campaign?

18 A. Yes.

19 Q. And then you mentioned Mr. Cortes. Did he have a role in  
20 communicating to you about the expenditures?

21 A. Fernando Cortes?

22 Q. Yes, ma'am.

23 A. Is that what you're asking?

24 Q. Yes.

25 A. Yes, he would then send them to us.

1 Q. How would he do that; write you a letter, e-mail you, call  
2 you?

3 A. Most of them were e-mail.

4 Q. Would the e-mails come to you directly?

5 A. Usually they were forwarded to Deana and I, Deana Watts and  
6 I.

7 Q. And who is Deana Watts?

8 A. She is the -- I think her title was the assistant treasurer,  
9 but she's a CPA.

10 Q. And when the information came in from Mr. Cortes, was that  
11 the basis for deciding whether to pay or was there some other  
12 basis involving other people?

13 A. No. Once Fernando Cortes submitted it, it was assumed that  
14 he had gone through all of the channels and he coded it where it  
15 needed to be coded and then we paid it.

16 Q. And was it your job to question Mr. Cortes's e-mails to you?

17 A. No.

18 Q. So if Mr. Cortes e-mailed you an expense to be paid, would  
19 you pay it?

20 A. Yes.

21 Q. And the codes that were on there, were they codes that  
22 Mr. Cortes entered or that you entered?

23 A. They would have been codes that Deana Watts made a chart of  
24 accounts of all of the departments and the codes, you know, that  
25 needed to be done, and then Fernando would pick which codes and

1 he would code it, and then we would just enter it that way.

2 Q. I think I understand. So there was a list of codes?

3 A. There was a list, a chart of accounts.

4 Q. Yes, ma'am. And who made the list?

5 A. Deana Watts.

6 Q. And did Deana Watts give that to other people?

7 A. To other people? Well, Fernando had it, you know.

8 Q. That's what I --

9 A. So she would have given that to Fernando.

10 MR. BINNALL: I'm going to object on foundation, see  
11 if she has foundation whether it went to anyone else.

12 THE COURT: Overruled.

13 BY MR. PILGER:

14 Q. I was just getting at, did you know if Fernando Cortes had  
15 that list?

16 A. Say it one more time.

17 Q. Did Fernando Cortes use codes from that list?

18 A. Yes.

19 Q. Now, you mentioned -- I think you mentioned the FEC earlier.  
20 Did you have a role regarding the Federal Election Commission as  
21 treasurer of the campaign?

22 A. Well, my name was on them, I signed them, but I didn't  
23 actually prepare them. Deana did. And I just helped her in any  
24 way she needed.

25 Q. I understand. So as the treasurer, you are the person

1 officially signing off on the forms, right?

2 A. Correct.

3 Q. And during the 2012 campaign, you did your job as you signed  
4 off on FEC forms; is that right?

5 A. Correct.

6 Q. And, Ms. Pyeatt, you told me you have a little trouble  
7 hearing me if I turn away, so I'm going to approach and I'm  
8 going to talk to you up there with these documents, okay?

9 A. Okay.

10 Q. Showing you what's in evidence as Government's Exhibit 143,  
11 is this a form FEC form 1, statement of organization, for the  
12 Ron Paul Campaign in 2012?

13 A. Yes.

14 Q. And is this a statement of organization for an exploratory  
15 committee?

16 A. Yes.

17 Q. And could you just tell the jury when this was filed,  
18 directing your attention to the middle of the page?

19 A. April 26, 2011.

20 Q. And, ma'am, showing you what's in evidence as Government's  
21 Exhibit 144, is this another statement of organization, FEC form  
22 1, for the Ron Paul Campaign in 2012?

23 A. Yes.

24 Q. And what is this -- is this for the actual campaign  
25 committee as opposed to the exploratory committee?

1 A. Right.

2 Q. What is the date of this form?

3 A. May 13th of 2011.

4 Q. Now, is your signature or electronic signature on both of  
5 144 and 143?

6 A. Yes.

7 Q. Back on 143, I'm going to turn your attention to page 4.  
8 Does the form list a designated agent for the campaign?

9 A. Yes, Deana Watts.

10 Q. And who -- you said Deana Watts?

11 A. Yes.

12 Q. So she was the designated agent for the exploratory  
13 committee, correct?

14 A. Right.

15 Q. Turning back to 144, looking at page 4, who was the  
16 designated agent for the actual committee?

17 A. Deana Watts.

18 Q. And, Ms. Pyeatt, turning your attention to Government's  
19 Exhibit 145 in evidence, is this a form 3P from the FEC, a  
20 report of receipts and disbursements?

21 A. Yes.

22 Q. And do you recognize this as the type of form that you would  
23 use in part to report the expenditures of the campaign?

24 A. Yes.

25 Q. And is your signature, your electronic signature on

1 Government's Exhibit 145?

2 A. Yes.

3 Q. Showing you Government's Exhibit 146, is this another report  
4 of receipts and disbursements?

5 A. Yes.

6 Q. And did you electronically sign this document?

7 A. Yes.

8 Q. Is 147, Government's 147, a receipt -- I'm sorry, a report  
9 of receipt and disbursements again with your electronic  
10 signature?

11 A. Correct.

12 Q. And is Government's Exhibit 148 also a report of receipts  
13 and disbursements with your electronic signature?

14 A. Yes.

15 Q. And are all of those reports of receipts and disbursements,  
16 all of the four that we've talked about, from the Ron Paul 2012  
17 Campaign?

18 A. Yes.

19 Q. Okay. Now I'm going to try and work with the projector with  
20 you. You tell me if you can't hear me.

21 A. Okay.

22 THE COURT: When the jury was on recess, I said I  
23 would admit these exhibits. Just for the record, 143 through  
24 148 are received.

25 MR. PILGER: Thank you, Judge.

1 (Government Exhibits 143 through  
2 148 were received in evidence.)

3 MR. BINNALL: Your Honor, just one more additional  
4 quick thing on that is they were not given to us more than two  
5 weeks in advance of trial.

6 THE COURT: Thank you.

7 Well, we have not only authentication by the  
8 certification, but authentication by the author as well.

9 MR. HOWARD: Your Honor, just for the record, I don't  
10 believe that's the basis of the objection under the law. It's  
11 supposed to be about a government witness.

12 THE COURT: The advance warning is only on the  
13 authentication by certification.

14 MR. HOWARD: Yes.

15 MR. BINNALL: And I'm very, very sorry, Your Honor. I  
16 just want to make sure that everything here is preserved. The  
17 way it was preserved is that her electronic signature was on  
18 there, I do not believe that's enough to say that all of the  
19 pages that may be contained within it are necessarily authentic.  
20 So I am objecting to authentication this way as well.

21 THE COURT: Thank you. It's overruled.

22 BY MR. PILGER:

23 Q. Ms. Pyeatt, I'm going to go to the reports of disbursements,  
24 reports of receipts and disbursements. And these are in  
25 evidence.

1           So starting with Government's Exhibit 145, can you see  
2 the period covered by this report on the form?

3 A. I didn't get that. Do I see what?

4 Q. I'm sorry, ma'am. I'm going to indicate to you with my pen  
5 and you tell me if what we're looking at is an indication of the  
6 period covered by the report or not.

7 A. Okay.

8 Q. On the form it says March 20th?

9 A. Correct.

10 Q. What does that mean?

11 A. What does that mean?

12 Q. Yes, ma'am.

13 A. Um --

14           MR. BINNALL: Object. The document speaks for itself.

15 A. When the report was done, due --

16           MR. PILGER: I'm not sure there was an objection.

17 Just wait.

18           THE COURT: Overruled.

19           Go ahead.

20 BY MR. PILGER:

21 Q. I'm sorry. Are you not sure what it means?

22 A. Monthly reports, it's evidently when a report was done.

23 Q. Yes, ma'am.

24 A. Okay.

25 Q. And can you tell the jury what period was covered by the

1 report?

2 A. February 1st through February 29th.

3 Q. Of what year?

4 A. 2012.

5 Q. Now, ma'am, these actual reports are thousands of pages or  
6 hundreds of pages long, correct?

7 A. Thousands of pages, yes.

8 Q. And we're just looking at a couple of pages of the report,  
9 right?

10 A. We are looking at a page --

11 Q. The documents that I showed you that are in evidence, they  
12 are just excerpts of the report.

13 A. Okay.

14 Q. Do you understand the question?

15 A. If it's a question, no.

16 Q. So, for example, for Government's Exhibit 145, we were just  
17 talking about the first page, and the actual report would be  
18 much bigger, right?

19 A. Correct.

20 Q. And then when I was talking to you up at the stand, we  
21 talked about a specific other page that was there, all right?

22 A. Okay.

23 Q. There was only another page or two as to each one, correct?

24 A. I'm not understanding the question.

25 Q. Let's try and do it this way. If you look at the second

1 page of Government's Exhibit 145, does it indicate what page  
2 number that is?

3 A. 23? I'm not sure what you're asking.

4 Q. That's okay, ma'am. I'll ask a better question.

5 Do you see where it says page?

6 A. Page 5,858 out of 6,676?

7 Q. I see page 5858/6676.

8 A. Correct.

9 Q. Does that indicate to you how long the document actually  
10 was?

11 A. Yes.

12 Q. How long was the document?

13 A. How long was it?

14 Q. Yes.

15 A. 6,676 pages.

16 Q. Thank you, ma'am.

17 And we're just looking at this one page right now.

18 A. Okay.

19 Q. Now, turning your attention to block C of that page, can you  
20 read to the jury who the campaign reported a disbursement to?

21 A. Interactive Communications, Inc.

22 Q. And does it say where Interactive Communications, Inc. is  
23 located?

24 A. 4316 Hamilton Street in Hyattsville, Maryland 20781.

25 Q. Does it say the purpose of the disbursement?

1 A. Audio/visual expenses.

2 Q. And does it report the date of the disbursement?

3 A. February 8, 2012.

4 Q. And does it report the amount of the disbursement?

5 A. \$38,125.

6 Q. Thank you, ma'am.

7 Bear with me. We're going to do this just a few more  
8 times. Okay. Now I'm showing you what's in evidence as  
9 Government's Exhibit 146, which we talked about up there, and  
10 this is page 1.

11 Do you recall that?

12 A. (Witness nodded her head affirmatively.)

13 Q. You have to say out loud for the reporter.

14 A. Yes.

15 Q. And by looking at the section labeled monthly reports, can  
16 you tell what month this is for?

17 A. May 20th.

18 Q. And this is May 2012. And so the report in May, what period  
19 did it cover?

20 A. April 1st through April 30th, 2012.

21 Q. Thank you.

22 Looking at the next page of Government Exhibit 146 at  
23 block C, is there a report of a disbursement?

24 A. Yes.

25 Q. Who is the disbursement to?

1 A. Interactive Communications, Inc.

2 Q. And does it report where that corporation is?

3 A. Yes.

4 Q. Where?

5 A. Where are they located?

6 Q. Yes, ma'am.

7 A. 4316 Hamilton Street, Hyattsville, Maryland 20781.

8 Q. Does it report the purpose of the disbursement?

9 A. Audio/visual expenses.

10 Q. Does it report the date of the disbursement?

11 A. April 3, 2012.

12 Q. Does it report the amount of the disbursement?

13 A. You will have to move it a little bit.

14 Q. I'm sorry.

15 A. 17,000 -- I can't see the cents.

16 17,700.

17 Q. Thank you, ma'am.

18 Showing you what's in evidence as -- pardon me --

19 Government's Exhibit 147, which we talked about before.

20 Is this another report of receipts and disbursements?

21 A. Yes, for June 20, 2012.

22 Q. Thank you, ma'am.

23 And can you see what was the period covered by this  
24 report?

25 A. The time period?

1 Q. Yes, ma'am.

2 A. May 1, 2012 to May 31, 2012.

3 Q. Thank you.

4 Looking at the next page, is there a report of a  
5 disbursement at block B?

6 A. Yes.

7 Q. And who is that disbursement to?

8 A. Interactive Communications, Incorporated, 4316 Hamilton  
9 Street, Hyattsville, Maryland 20781.

10 Q. What's the date of the disbursement?

11 A. May 2, 2012.

12 Q. What is the amount of the disbursement?

13 A. \$8,850.

14 Q. Looking at the next page of this excerpt of this same report  
15 at block A, is there another report of a disbursement to  
16 Interactive Communications, Incorporated?

17 A. Yes.

18 Q. Is that at the same address you've referenced several times?

19 A. Yes.

20 Q. And what is the purpose of the disbursement?

21 A. Audio/visual expenses.

22 Q. And what is the amount of the disbursement?

23 A. \$8,850.

24 Q. Thank you.

25 Lastly, showing you Government's Exhibit 148, which is

1 in evidence, is that the final report of receipts and  
2 disbursements that we talked about when I was at the stand with  
3 you?

4 A. Yes, July 20, 2012.

5 Q. I'm sorry, I didn't hear you that time.

6 A. July 20, 2012.

7 Q. Thank you, ma'am.

8 And what period did it cover?

9 A. June 1, 2012 to June 30, 2012.

10 Q. Thank you.

11 Looking at the next page of the excerpt at block C, is  
12 there another disbursement to Interactive Communications, Inc.?

13 A. Yes.

14 Q. Is it at the same address you have read before?

15 A. Yes.

16 Q. And what is the purpose of the disbursement?

17 A. Audio/visual expenses.

18 Q. What is the date of the disbursement?

19 A. June 27, 2012.

20 Q. And what is the amount of the disbursement?

21 A. \$8,850.

22 MR. PILGER: One moment, Your Honor.

23 (Pause.)

24 BY MR. PILGER:

25 Q. And, finally, Ms. Pyeatt, when these reports were submitted

1 under your name, did you have any reason to think there was  
2 anything inaccurate or untruthful about them?

3 A. No.

4 MR. PILGER: No further questions.

5 THE COURT: Ms. Sinfelt?

6 MS. SINFELT: Thank you, Your Honor.

7 CROSS-EXAMINATION

8 BY MR. SINFELT:

9 Q. Good afternoon Ms. Pyeatt. How are you?

10 A. Good.

11 Q. Do you need a drink of water or anything?

12 A. I'm fine.

13 Q. Thank you for coming. I know this is difficult for you.

14 I just have a few questions for you, okay?

15 A. Okay.

16 Q. You said earlier you worked for your father's campaign; is  
17 that correct?

18 A. My father's campaign?

19 Q. Yes.

20 A. Yes.

21 Q. Have you worked for any other committees for your father?

22 A. Yes, I have.

23 Q. And which committees are those?

24 A. Committee to Re-Elect. All of his committees to Re-Elect.

25 Q. So it's kind of like a family business then?

1 A. Well, yeah.

2 Q. How many children do you have?

3 A. I have five children.

4 Q. Do any of them work on the campaigns as well?

5 A. Oh, yeah. We all volunteered.

6 Q. So it really is a family business then?

7 A. Yes.

8 Q. And on the other campaigns that you worked on, did you hold  
9 a similar position?

10 A. Yes.

11 Q. And how many staff were you in charge of in 2012 for this  
12 presidential campaign committee?

13 A. How many --

14 Q. Staff.

15 A. I wouldn't say that I was really in charge of staff. You  
16 know, we had people that are in charge of staff, and we would  
17 just kind of be the accounting department and took care of all  
18 of the money.

19 Q. So was the accounting department then just you and Deana?

20 A. Yes.

21 Q. Okay. That's what I was trying to get at. And were you and  
22 Deana the only people who could authorize -- not authorize; make  
23 a wire transfer?

24 A. Yes.

25 Q. That's correct, okay. And would you authorize and make a

1 wire transfer without receiving an invoice?

2 A. No.

3 MS. SINFELT: I have no other questions.

4 Thank you, Ms. Pyeatt.

5 THE COURT: Mr. Binnall, do you have any questions?

6 MR. BINNALL: Very briefly, Your Honor.

7 CROSS-EXAMINATION

8 BY MR. BINNALL:

9 Q. Good afternoon, Ms. Pyeatt.

10 Thank you also on behalf of Mr. Kesari for coming  
11 today.

12 Do I understand correctly that it was Mr. Cortes who's  
13 responsible for coding the expenses?

14 A. That's correct.

15 Q. And then he sent it on to you?

16 A. Correct.

17 Q. It wasn't Mr. Kesari's job to code any expenses, right?

18 A. No.

19 Q. And Mr. Kesari didn't work for you under the treasurer of  
20 the campaign, right?

21 A. He worked for me?

22 Q. He didn't work for you?

23 A. No.

24 Q. And you never consulted -- I'm sorry. You never consulted  
25 with Mr. Kesari about how to code any expenses, right?

1 A. No.

2 MR. BINNALL: Thank you very much. That's all of my  
3 questions.

4 THE COURT: Anything else, Mr. Pilger?

5 MR. PILGER: No, Your Honor.

6 May the witness be excused?

7 THE COURT: Yes. Thank you, ma'am. You're excused.

8 (Witness excused.)

9 THE COURT: Call your next witness, please.

10 MR. PILGER: Your Honor, we may be able to omit one  
11 witness if I have one second with the witness.

12 THE COURT: Go ahead.

13 MR. HOWARD: And, Your Honor, I think Ms. Pyeatt would  
14 like to sit in the gallery if that's all right.

15 THE COURT: That's fine with me.

16 MR. KRAVIS: No objection.

17 (Counsel conferring.)

18 MR. PILGER: May we approach?

19 THE COURT: Yes. Do you need the court reporter?

20 MR. PILGER: No, sir.

21 (Side-bar conference, not reported.)

22 THE COURT: So, members of the jury, not only are we  
23 suspending Agent LoStracco's testimony, but now we're going to  
24 suspend the government's case so the defense can call an  
25 out-of-town witness. It's okay. We're just taking it a little

1 bit out of order there.

2 Ms. Sinfelt, call your next witness, please.

3 MS. SINFELT: Ms. Deana Watts.

4 THE COURT: Is she present in the courtroom?

5 MR. PILGER: She's in the hallway, Your Honor.

6 THE COURT: Come forward, ma'am. If you'll just  
7 approach the clerk here, she'll administer your oath.

8 THE CLERK: Please raise your right hand.

9 DEANA WATTS, DEFENDANT BENTON'S WITNESS, SWORN

10 THE CLERK: Please be seated.

11 THE WITNESS: Right there?

12 THE COURT: Yes.

13 DIRECT EXAMINATION

14 BY MS. SINFELT:

15 Q. Good afternoon, Ms. Watts. My name is Meena Sinfelt. I'm  
16 one of the attorneys for Mr. Benton. I know we have not met  
17 before, so nice to meet you.

18 A. Uh-huh.

19 Q. Could you please give me your background and your role in  
20 the 2012 Presidential Campaign for Ron Paul?

21 A. I'm an accountant, I'm a CPA, and I was the assistant  
22 treasurer for that campaign.

23 Q. As the assistant treasurer, what duties did you perform?

24 A. In our office we performed gathering the donations, writing  
25 expenditures, putting them in accounting software for

1 preparation of the FEC reports and submitting the FEC reports.

2 Q. So then you did submit FEC reports; is that correct?

3 A. Yes.

4 Q. Thank you.

5 And did you consult Mr. Benton when you completed FEC  
6 reports?

7 A. No.

8 Q. Have you ever had any training in completing the FEC  
9 reports?

10 A. Outside training?

11 Q. Yes, ma'am.

12 A. No.

13 Q. It sounds like you may have had some inside training. Did  
14 you have some inside training?

15 A. I trained myself. I'm self taught.

16 Q. How did that go; complicated or easy, or how did you feel  
17 about that?

18 A. Somewhere between easy and complicated.

19 Q. Okay.

20 A. It's a lot of information.

21 Q. Do you know if the FEC requires that you report payments to  
22 sub vendors?

23 A. Yes.

24 Q. You do know it or, yes, they do require it?

25 A. For example, like if you paid American Express, then we

1 would report the sub vendors that American -- you know, if you  
2 charged to American Express, say, Dillards, then you would have  
3 a payment to American Express and Dillards would show underneath  
4 that, if it met the \$200 threshold.

5 MR. BINNALL: Your Honor, I'm going to object that it  
6 calls for a legal conclusion.

7 THE COURT: So we're not going to get into her  
8 impression of the law, but her understanding of what her  
9 obligation was to do is all she's looking for here, and that's  
10 the point here.

11 MS. SINFELT: Right, okay.

12 And thank you. That was all I had. Thank you very  
13 much.

14 THE COURT: Oh, that's it.

15 Any other questions? Mr. Binnall, do you have some?

16 MR. BINNALL: Yes, briefly, Your Honor.

17 CROSS-EXAMINATION

18 BY MR. BINNALL:

19 Q. Good afternoon, Ms. Watts.

20 A. Hi.

21 Q. My name is Jesse Binnall. I represent Mr. Kesari.

22 If you had a question about the way an expense was  
23 coded, was there someone in the Paul Campaign that you would  
24 seek clarification from?

25 A. Fernando Cortes out of the Virginia office would send the

1 expenditures to us with the code.

2 Q. So if there were any questions on that, would you go back to  
3 Mr. Cortes?

4 A. Yes.

5 Q. Did you ever go to Mr. Kesari to find out how things should  
6 be properly coded according to the FEC?

7 A. I do not recall ever asking him.

8 MR. BINNALL: No further questions.

9 THE COURT: Mr. Pilger, Mr. Kravis, do you have  
10 questions?

11 MR. PILGER: Just one question.

12 CROSS-EXAMINATION

13 BY MR. PILGER:

14 Q. Did you rely on the information that came to you from  
15 Mr. Cortes when making your reports to the FEC?

16 A. Yes.

17 MR. PILGER: Nothing further.

18 THE COURT: Anything else?

19 MS. SINFELT: Nothing, Your Honor.

20 THE COURT: Thank you, ma'am. You're excused.

21 (Witness excused.)

22 THE COURT: Back to the government's case, call your  
23 next witness.

24 MR. KRAVIS: The government calls Ron Paul.

25 THE COURT: Sir, please come forward and approach this

1 woman, and she'll administer your oath.

2 THE CLERK: Please raise your right hand.

3 RON PAUL, GOVERNMENT'S WITNESS, SWORN

4 THE CLERK: Please be seated.

5 DIRECT EXAMINATION

6 BY MR. KRAVIS:

7 Q. Good afternoon, sir.

8 A. Good afternoon.

9 Q. What is your name?

10 A. Ron Paul.

11 Q. How do you spell your last name?

12 A. P-A-U-L.

13 Q. What do you do for a living?

14 A. A lot of things. I am on a speaking tour and I do an  
15 Internet broadcasting and I do some newsletters and I do some  
16 educational projects. I'm very much into educational  
17 activities.

18 Q. Were you at one time a member of Congress?

19 A. I was.

20 Q. When were you a member of Congress?

21 A. Well, I had three different periods of time. In 1976 I was  
22 there for less than a year, and then I was back there in '78 to  
23 '84 for three more terms, and then I was out for 12 years. I  
24 went back to my medical practice. And then I went back into  
25 Congress in 1997 until 2013.

1 Q. Did you ever run for the Office of President of the United  
2 States?

3 A. I did.

4 Q. How many times did you run for President?

5 A. Three times.

6 Q. What were the years when you ran for president?

7 A. '88, 1988, 2008, and 2012.

8 Q. I want to ask you some questions now about your 2012 run for  
9 President of the United States. Who were the people who ran  
10 that presidential campaign?

11 A. Well, there were a lot of people. The campaign manager was  
12 John Tate.

13 Q. Who hired Mr. Tate to be the campaign manager?

14 A. I did.

15 Q. And what was Mr. Tate's job as the campaign manager?

16 A. To manage the campaign.

17 Q. Who did Mr. Tate report to?

18 A. He reported essentially to me.

19 Q. And where did Mr. Tate spend most of his time while he was  
20 working on the campaign?

21 A. Well, I didn't keep a diary. I think it was mostly at the  
22 headquarters, which would have been -- I think it was in  
23 Alexandria, and he would travel, I would see him occasionally on  
24 the tour.

25 Q. And that headquarters is in Alexandria, Virginia?

1 A. Yes.

2 Q. How about Jesse Benton, did Jesse Benton work on your 2012  
3 presidential campaign?

4 A. He did.

5 Q. What did Jesse Benton do on the campaign?

6 A. In a lot of ways he was my right-hand man because he did  
7 travel with me and he was in charge of a lot of the political  
8 events, organizing them and getting on the college campuses, and  
9 he interceded for me with John Tate and answered a lot of my  
10 questions dealing in particular a lot of times with the media.

11 Q. Did someone named Dimitri Kesari work on your campaign?

12 A. He did.

13 Q. And what did Mr. Kesari do?

14 A. I'm not positive of the title and I didn't have a lot of  
15 close associations with him, but I always had a friendly  
16 relationship with him, and I remember probably more seeing him  
17 at the times of our debates. Didn't see him on a routine basis.

18 Q. Who did Mr. Kesari report to on the campaign?

19 A. I'm not sure who he would report to.

20 Q. Do you remember if he served as an assistant to anyone on  
21 the campaign?

22 A. As an assistant?

23 Q. Yes.

24 A. I'm not sure I understand your question. Assistant to whom?

25 As an assistant?

1 Q. Doctor, do you remember testifying in the grand jury about  
2 this matter?

3 A. Pardon me?

4 Q. Do you remember testifying in the grand jury?

5 A. Yes.

6 Q. I'm showing defense counsel what's been marked for  
7 identification as Government's Exhibit 162. And, Doctor, I'm  
8 going to show you what's been marked for identification as  
9 Government's Exhibit 162.

10 Do you see that there?

11 A. Not yet.

12 Q. What is Government's Exhibit 162?

13 A. Yeah, I see it.

14 Q. What is Government's Exhibit 162?

15 A. What did the government --

16 Q. I'm sorry?

17 A. -- do?

18 Q. No, I'm sorry. This document right here --

19 A. All right.

20 Q. -- do you recognize this document?

21 A. Not offhand. I saw it. I don't remember it. No, I don't  
22 recognize it as I see this document.

23 Q. Doctor, this is a copy of your grand jury transcript, isn't  
24 it?

25 A. I don't know. If it says it is --

1 Q. Can you read what appears on the --

2 A. It says, Testimony of Ron Paul.

3 Q. And can you read what appears in the top left?

4 A. In regards to grand jury proceedings.

5 Q. Okay. Now, Doctor, I'm going to ask you to turn with me to  
6 page 11.

7 Are you with me on page 11?

8 A. Got it, yeah.

9 Q. Doctor, I'm going to ask you to start with me on page 11,  
10 line 22.

11 Are you there?

12 A. Yes.

13 Q. "Q. Was there someone who worked on the campaign  
14 named Dimitri Kesari?

15 "A. Yes.

16 "Q. And what was Mr. Kesari's role on the campaign?"  
17 To the next page.

18 "A. I don't know his title, but he was an assistant  
19 to John and Jesse."

20 Did I read that right?

21 A. Well, yes, that is there. If I could comment on that, I  
22 would.

23 Q. And when you said assistant to John and Jesse, you meant  
24 assistant to John Tate and Jesse Benton, right?

25 A. Yeah. I didn't understand your question before, but that

1 would be obvious to me that somebody down the ladder. Everybody  
2 worked for John and Jesse. You know they were running the  
3 campaign, so --

4 Q. Absolutely.

5 A. -- it's just a --

6 Q. Doctor, you can put the transcript down now. Thank you.

7 I want to ask you now about the money on the campaign.  
8 What was the 2012 Presidential Campaign setup for keeping track  
9 of money contributions going in and expenditures going out?

10 A. I don't know the details of that. I wasn't involved on  
11 day-to-day activity nor do I understand the arrangements. I  
12 trusted the people that were running the campaign to account for  
13 all of the funds.

14 Q. Where would bills to the campaign go for approval?

15 A. I think basically through the office in Clute, Texas.

16 Q. Who would approve bills for the campaign?

17 A. I'm not positive, but it could be several, but I don't know  
18 that -- I don't believe there was just one person, but it was  
19 something that didn't cross my desk and I didn't know exactly  
20 who did what when and who approved which bills.

21 Q. Doctor, I'm going to ask you to pick up the grand jury  
22 transcript in front of you and I'm going to ask you to turn with  
23 me to page 13.

24 Are you with me on page 13?

25 A. Yes.

1 Q. I'm going to direct your attention to page 13, line 9.

2 "Q. And who were those people, the people who were in  
3 charge of keeping track of money coming in and money going  
4 out for the campaign?

5 "A. Well, there was a procedure in Washington, that  
6 if somebody spent money for ads or whatever, those bills  
7 would go through John and Jesse."

8 Did I read that right?

9 A. Right, at least they had the responsibility.

10 Q. Now, what would happen to the bills after they were approved  
11 by John and Jesse? Where would they go from there?

12 A. I don't know whether there was another step for further  
13 approval on coding, but they eventually ended up in Clute. I  
14 don't know the process. I never detailed it and walked it  
15 through, but I assume they went through the process and the  
16 bills were sent to Clute.

17 Q. Let me ask you to look back at page 13 and start with me  
18 again on line 9.

19 "Q. And who were those people, the people who were in  
20 charge of keeping track of money coming in and money going  
21 out for the campaign?

22 "A. Well, there was a procedure in Washington that if  
23 somebody spent money for ads or whatever, those bills would  
24 go through John and Jesse and then there was another  
25 gentleman that would review this for coding and sending.

1       The payment actually occurred in Texas, and after that was  
2       done and the coding was done, it would be sent to Texas and  
3       the two individuals responsible for getting the checks and  
4       getting the money out were Lori Pyeatt and Deana Watts, and  
5       they kept the books and they did the FEC reports."

6             Did I read that right?

7   A.   You read it correctly.

8   Q.   Now, Doctor, do you know someone named Kent Sorenson?

9   A.   I've heard the name.

10   Q.   Have you met Kent Sorenson?

11   A.   I probably have. We have crossed paths, but there was never  
12   a close association, and I may have met him at times over the  
13   years because he was in public and politics and I very well  
14   could have met him at times that I don't remember, as I have met  
15   many.

16   Q.   Did there come a time when you met Kent Sorenson during the  
17   2012 Presidential Campaign here in Iowa?

18   A.   Was there a time?

19   Q.   Yes.

20   A.   Yes.

21   Q.   When was that?

22   A.   Well, the time I remember was when there was a press  
23   conference to be held and --

24   Q.   And what happened at that press conference?

25   A.   He showed up and wanted to endorse me I was told.

1 Q. Now, he was endorsing you for President, is that right?

2 A. That is my understanding.

3 Q. Were you the first candidate that Kent Sorenson endorsed for  
4 President in 2012?

5 A. Well, to my knowledge, he may have, at least it's been said  
6 in the media that he endorsed Michelle Bachmann, but I don't  
7 know that as a fact.

8 Q. Do you know how it came to be that Mr. Sorenson switched  
9 from endorsing Michelle Bachmann to endorsing you for the Office  
10 of President?

11 A. The details of how he came, that was pretty surprising to  
12 me. He just showed up.

13 Q. How did you feel when Mr. Sorenson endorsed you at this  
14 event in Iowa?

15 A. It was a lot of mixed feelings. First was, you know,  
16 politicians -- it's the sort of thing -- there's some benefit  
17 from getting endorsements, but I had a different philosophic  
18 opinion about endorsements. But I was annoyed, not with  
19 Sorenson because it was nothing personal about it. I was  
20 annoyed because I was caught off balance. Here I am getting  
21 ready to give a speech and press conference and I like to be  
22 prepared when all of a sudden, I may have been told three  
23 minutes before or five minutes before or something, and they  
24 said that somebody -- there was a state senator that wanted to  
25 endorse me.

1 Q. Now, you said that you have a different philosophical view  
2 about political endorsements. What is your view about the value  
3 of political endorsements?

4 A. I don't think they're very valuable. I downplay them a  
5 whole lot. But we all go through it because a lot of people  
6 want to associate with a candidate and endorse one, and there's  
7 some benefit to this, and you certainly don't want to offend  
8 anybody who wants to endorse you, so -- but my experience came  
9 in 1990 -- dealing with endorsements, in 1996 I had been out of  
10 office, I was running again, it was a tough race, I was running  
11 against a Republican, and the Republicans told me I was way too  
12 independent and so -- because I had a voting record and they --  
13 sometimes parties don't like Independents, so I -- they started  
14 a rash of endorsements, you know, a couple of Bushes and a  
15 couple of senators, state senators, I mean Texas senators, and a  
16 slew of 65 I think congressman, all Republicans. And Newt  
17 Gingrich came and campaigned against me. And I thought, holy  
18 man, what does all of this mean?

19 Well, I won the election, so my conclusion was those  
20 endorsements aren't worth much. And there was the story, of  
21 course, that I've told which I find a little bit entertaining is  
22 that I thought, well, maybe I ought to have somebody out there,  
23 you know, that endorsed me. So I went to my friend, Nolan Ryan,  
24 and he said, yeah, I'll endorse you. So I guess Nolan Ryan  
25 against 72 Republicans, we know who won.

1 Q. And that's Nolan Ryan, the baseball pitcher?

2 A. Yeah, that's the guy.

3 Q. And how did you do in that campaign when Nolan Ryan endorsed  
4 you?

5 A. Well, I won that campaign.

6 Q. Now, what do you think or how do you feel about paying money  
7 for political endorsements?

8 A. Well, I didn't know that ever happened.

9 Q. But I'm just asking you generally your view about it.

10 A. Well, I mean, I don't even believe in endorsements. Do you  
11 think I would want to pay money for it? No. But there's always  
12 been -- there's a lot of shifting from one campaign to another.  
13 I think in the current campaign that's going on they say, oh,  
14 this is going down, he's going over to this campaign, he might  
15 get more money, so it goes -- it shifts a whole lot. So getting  
16 paid, that isn't getting paid to give an endorsement, no. I  
17 don't think anybody would think that was a very good idea.

18 Q. Did you on the 2012 campaign make clear to your staff how  
19 you felt about paying for political endorsements?

20 A. I assumed it went without saying. I didn't have a memo or  
21 anything like that. The people who knew me knew that I wasn't  
22 too excited about endorsements.

23 Q. Did anyone at that event in Iowa say anything to you about  
24 Senator Sorenson getting paid by your campaign to endorse you?

25 A. No.

1 Q. What would you have said if someone on your staff had asked  
2 you permission to pay Senator Sorenson to endorse you?

3 A. Well, I can't conceive of that happening. If they said we  
4 want to give so and so some money so they would endorse you, I  
5 mean, that's just too much out of the reality. But if they said  
6 that so and so was leaving a campaign and he's a credible person  
7 and he wants to work for the campaign, I would have been open to  
8 that.

9 Q. Why did you say a moment ago that you could not conceive of  
10 someone asking -- someone in your campaign asking you to pay  
11 Senator Sorenson for his endorsement? Why did you say that?

12 A. Well, I just don't think people do those sort of things or  
13 are supposed to do those things. I don't think that's a good  
14 idea. I mean, I don't think much of endorsements. I didn't pay  
15 Nolan Ryan, let me tell you that, but it meant more than  
16 anything else. So, no, the money seems to be -- that's too big  
17 of a problem to even consider.

18 MR. KRAVIS: Thank you, Doctor.

19 I have no further questions.

20 THE COURT: Mr. Howard?

21 MR. HOWARD: Thank you, Your Honor.

22 CROSS-EXAMINATION

23 BY MR. HOWARD:

24 Q. Hello, Dr. Paul. How are you?

25 A. Hey.

1 Q. In 2011 and 2012, as you were traveling, Jesse Benton was  
2 your right-hand man?

3 A. Right.

4 Q. Can you tell the jury, if you wouldn't mind, your feeling  
5 about e-mail?

6 A. About what?

7 Q. E-mail.

8 A. E-mail?

9 Q. E-mail, yes, electronic, e-mail and texts.

10 A. My personal understanding of e-mail, my use of e-mail?

11 Q. Yes, your use of e-mail.

12 A. Well, I'm evolving and progressing, and since I've lost a  
13 lot of staff from campaigns and congressional offices, I do a  
14 little e-mail now. I'm pretty clumsy with texting and stuff,  
15 but back then I probably e-mailed on a rare occasion. But when  
16 it came to the campaign, I would think it would be pretty safe  
17 to say zero because I want verbal communication, and that's why  
18 Jesse worked closely with me, and I could ask him immediately  
19 and I'll say, well, what's going on? And we could go over the  
20 business. Or if I had to talk to John, he would make sure I  
21 could, and occasionally there would be other people in  
22 advertising, not so much, but I didn't use e-mail and I was just  
23 taught over the years to do it through personal communication.  
24 Q. And as you and Mr. Benton traveled, can you give the members  
25 of the jury an idea of your travel schedule during the

1 2011-2012 campaign?

2 A. One thing I'm a little sorry about over the years is I  
3 didn't keep a diary because it would be very interesting. The  
4 schedule was very, very busy. It was on and off airplanes and  
5 we would be gone a whole lot. So all I can say is -- and it  
6 just all ran together, and sometimes when I think about it, the  
7 campaign in 2008 ran together with the one in 2012.

8 Q. Fair enough.

9 A. So seemed to be on the road all the time.

10 Q. And do you remember being on the road between April of 2011  
11 and January 2012, in Iowa for 40 days and New Hampshire for 40  
12 days?

13 A. Yeah. I guess that would be with the straw vote and things  
14 going on.

15 Q. Yes, sir.

16 A. Yes, sir, I'm sure I was here plenty of times.

17 Q. And during the course of travel during that time, do you  
18 remember Mr. Benton being hospitalized in Lake Jackson, Texas?

19 A. That who was hospitalized?

20 Q. Mr. Benton, the man married to your granddaughter.

21 A. Oh, yes, I do.

22 Q. Do you remember that being for exhaustion?

23 A. Pardon me?

24 Q. Do you remember that being for exhaustion, Mr. Benton being  
25 exhausted?

1 A. Yeah.

2 Q. And do you remember trips to -- I'm just going to give you  
3 some states -- Vermont, New Hampshire, South Carolina, Kansas,  
4 Florida, Nevada? How am I doing?

5 A. I wouldn't argue with you.

6 Q. Okay.

7 A. I don't have -- I mean, there was just too many; but  
8 basically as a general rule Jesse would go with me.

9 Q. Now, you were asked about endorsements, and is it my  
10 understanding you will take endorsements; is that correct?

11 A. Sure, sure. It would be an insult not to.

12 Q. And it's fair to say that your campaign had no policy  
13 against endorsements; is that correct?

14 A. Policies?

15 Q. No policy against endorsements; your campaign? Let me start  
16 over.

17 A. I'm sorry.

18 Q. That's all right. It's my fault. Is it fair to say that  
19 your campaign, your presidential campaign, had no policy against  
20 endorsements?

21 A. Oh, yes, I understand that. And, no, I didn't -- I didn't  
22 have a written policy, probably never discussed it with anybody;  
23 but it was never implied that, you know, get out there, guys,  
24 the more endorsements, the more votes we're going to win.

25 Matter of fact, the discussion I just had indicated that I came

1 to the conclusion from experience that the endorsements are way  
2 overblown.

3 Q. Okay. But your 2011-2012 campaign did have a senator on  
4 your payroll by the name of James Forsythe?

5 A. Right.

6 Q. Do you remember Mr. Forsythe?

7 A. Right.

8 Q. And I think you mentioned he was with the Air Force; is that  
9 correct?

10 A. Right, he was Air Force.

11 Q. And can you tell the members of the jury what Mr. Forsythe  
12 was doing for your campaign?

13 A. In the campaign?

14 Q. Yes.

15 A. He was coordinator, but I don't remember the details.

16 Q. Okay.

17 A. All I -- I was very impressed. He was an Air Force pilot, I  
18 had been a flight surgeon, and we got along; but he had an  
19 enlightenment about the uselessness of the wars and bombs that  
20 he had been required to drop. So he was very interested in my  
21 foreign policy, and he was a volunteer and he helped a whole lot  
22 in New Hampshire, and then I think he became a senator after  
23 that.

24 Q. Okay.

25 A. I don't think that he was a senator at the time. Somebody

1 would have to check it.

2 Q. And that's fine. You paid him because he worked; is that  
3 correct? You were fine -- I'm sorry, I'll walk over here.

4 A. I'm sorry.

5 Q. You and I talked, but I want you to talk to the grand jury  
6 (sic). You were okay with Senator Forsythe as long as he was  
7 working; is that correct?

8 A. Oh, sure, sure, because the guy was brilliant, too, and he  
9 agreed with the ideas that I had been working on, so he was a  
10 real asset. So paying him was just -- and I don't even know how  
11 much we paid him. Maybe we were just paying his expenses for  
12 all I know.

13 Q. Now, as we sit here today -- and you know that this is a lot  
14 for Mr. Benton, your grandson-in-law. Do you still support  
15 Mr. Benton?

16 A. Absolutely.

17 Q. Fine.

18 A. He has -- as far as I'm concerned, nothing has changed.

19 Q. Good. I want to thank you.

20 A. Pardon me?

21 Q. I want to thank you.

22 A. Oh, thank you.

23 THE COURT: Mr. Binnall, do you have questions?

24 MR. BINNALL: Briefly, Your Honor.

25

1 CROSS-EXAMINATION

2 BY MR. BINNALL:

3 Q. Dr. Paul, do you feel like you're a victim in this case?

4 A. I'm sorry, I missed that word when your foot hit the --

5 Q. I'm sorry. Dr. Paul, do you feel like you're a victim in  
6 this case?

7 A. A victim?

8 Q. Yes.

9 A. I saw in print that I was a victim of things my staff had  
10 done, and when I got to thinking about this, I didn't know  
11 anybody knew exactly what the staff did. I thought that's what  
12 people were trying to find out. So how could I be a victim of  
13 something that's not been determined? So, no, I don't feel a  
14 victim in that sense because I feel victimized a whole lot. You  
15 know, before I left Texas a couple of days ago, there was on the  
16 Internet I read that Ron Paul has to go to Iowa and testify  
17 against his family member. So I feel like a victim when it's  
18 broadcast out there for some reason Ron Paul is going to go up  
19 there and he's going to testify against somebody. I feel  
20 victimized when my daughter has to go through what she's going  
21 through. She's getting treated for cancer, and we've got to get  
22 on airplanes and wait and struggle through this. I feel  
23 victimized when this whole thing broke. You know, it's been  
24 going on, what, in January -- I think I first heard of it, it  
25 was January '12, and here it is four years later and a lot of

1 time span, a lot of money spent. And there was the anticipation  
2 that there would be indictments a long time ago; but, no, it  
3 didn't occur until the day before the debate where my son, Rand,  
4 was involved, and I don't consider that a coincidence. I  
5 consider that more than seeking justice.

6 Q. And do you blame the defendants for that?

7 A. Blame who?

8 Q. Do you blame the defendants for that?

9 A. The defendants?

10 Q. Mr. Benton or Mr. Kesari, do you blame them for that?

11 A. Oh, the defendants? No, no. I believe the government, you  
12 know, it's the government. It's the process. It's what is  
13 going on. So the victims are there, but how can I be a victim  
14 of my staff and the people are on the defense now because nobody  
15 knows exactly what went on. I certainly don't know, and it's  
16 supposed to be sorted out so I've not been victimized. Maybe  
17 that attitude could change, but right now I haven't been  
18 victimized.

19 The real victimization for me is me and my family and,  
20 you know, it's been a heavy burden for us, and it's a -- the  
21 whole thing is, I didn't even know it was legal that you could  
22 be compelled to testify against family members, and I'm not  
23 testifying for the defense. I'm testifying for the prosecution,  
24 and that is a heavy burden. It's been a heavy burden for our  
25 family, for me personally, my wife, my daughter, my

1 grandchildren, and that is something that is very, very tough.  
2 And when you see all of this mess out there, I -- the defendants  
3 didn't victimize me. I mean, I think that is a stretch.

4 Q. And, sir, did you ever put Dimitri Kesari in charge of  
5 financial reporting of your campaigns?

6 A. No, I did not.

7 Q. Was he ever responsible for coding expenses to go to the  
8 Federal Election Commission?

9 A. Well, if he was and John or Jesse or somebody appointed him,  
10 I don't know, but I wouldn't have assumed that. I think in this  
11 testimony his name did pop in because I don't even know what his  
12 title was when he was in the campaign.

13 Q. So as far as you know, Mr. Kesari didn't have any  
14 responsibilities with the Federal Election Commission?

15 A. No, none that I know of.

16 MR. BINNALL: No further questions.

17 THE COURT: Mr. Kravis?

18 MR. KRAVIS: Very briefly.

19 REDIRECT EXAMINATION.

20 BY MR. KRAVIS:

21 Q. Thank you, Doctor.

22 To your knowledge, did your 2012 Presidential Campaign  
23 pay Senator Kent Sorenson in exchange for him endorsing you for  
24 President?

25 A. Did you say did I know that he got paid to do that?

1 Q. Yes.

2 A. Well, I --

3 Q. Let me repeat the question. To your knowledge, did your  
4 2012 Presidential Campaign pay Senator Kent Sorenson in exchange  
5 for him endorsing you for President?

6 A. Not to my knowledge.

7 MR. KRAVIS: Thank you.

8 I have no further questions.

9 THE COURT: Anything else?

10 MR. HOWARD: No, Your Honor.

11 MR. BINNALL: No, Your Honor.

12 THE COURT: Thank you, sir. You're excused.

13 Dr. Paul, you're excused.

14 (Witness excused.)

15 THE COURT: Call your next witness. Or will you have  
16 Agent LoStracco back?

17 MR. KRAVIS: We'll have Agent LoStracco back.

18 THE COURT: Very well. Come forward, ma'am.

19 KAREN LOSTRACCO,

20 resumed her testimony as follows:

21 DIRECT EXAMINATION (Continued)

22 BY MR. KRAVIS:

23 Q. Where were we? Agent LoStracco, I would remind you that you  
24 are still under oath. You know that, right?

25 A. Yes.

1 Q. I want to talk with you now about e-mails from the 2011 time  
2 period, and I want to bring your attention first to what has  
3 been marked but not yet entered into evidence as Government's  
4 Exhibit 4.

5 Do you recognize Government's Exhibit 4?

6 A. Yes.

7 Q. What is Government's Exhibit 4?

8 A. This is an e-mail exchange between Jesse Benton, John Tate,  
9 and Dimitri Kesari.

10 Q. What is the date of the e-mail exchange?

11 A. June 15, 2011.

12 Q. And where did this document come from?

13 A. Jesse Benton.

14 MR. KRAVIS: At this time the government moves Exhibit  
15 4 into evidence.

16 (Government Exhibit 4 was  
17 offered in evidence.)

18 MR. BINNALL: Your Honor, this is going to be a  
19 hearsay objection especially with the date being June 15, 2011.  
20 This very clearly does not fall within 801(d), and there's no  
21 other hearsay rule applicable without the exception. So we  
22 would ask that it not be admitted.

23 MR. HOWARD: And, Your Honor, this does nothing for  
24 this conversation between two people. It's got nothing to do  
25 with an alleged conspiracy period or anything. It's just

1 chitchat.

2 THE COURT: Overruled. 4 is received.

3 (Government Exhibit 4 was  
4 received in evidence.)

5 BY MR. KRAVIS:

6 Q. This is another very brief e-mail exchange. As it comes up  
7 on the screen, I'm going to ask you to start with the bottom  
8 e-mail, the one from Dimitri Kesari on June 15, 2011, at 7:06  
9 p.m. and then read up from there.

10 A. From Dimitri Kesari to Benton Jesse, to John Tate. Reply to  
11 dimitri@ronpaul2012.com. Subject: Iowa. Sent June 15, 2011,  
12 7:06 p.m.

13 "We may be able to get Kent Sorenson to jump ship and  
14 join us.

15 "What do you think?

16 "Any thoughts and conditions?"

17 Q. And is there a reply?

18 A. From John Tate. Sent Wednesday, June 15, 2011, 8:15 p.m. to  
19 dimitri@ronpaul2012.com, and Benton, Jesse. Subject: Regarding  
20 Iowa.

21 "Why will he switch? Are you sure about this? Let's  
22 talk tomorrow."

23 Q. I want to now jump ahead with you to October of 2011, and I  
24 want to show you what's been marked but not yet entered into  
25 evidence as Government's Exhibit 5.

1 Do you recognize Government's Exhibit 5?

2 A. Yes.

3 Q. What is Government's Exhibit 5?

4 A. This is an e-mail exchange between Jesse Benton, John Tate,  
5 and Jedd Coburn.

6 Q. What is the date of this e-mail exchange?

7 A. October 28, 2011.

8 Q. Where did this document come from?

9 A. The Ron Paul Presidential Campaign.

10 MR. KRAVIS: At this time the government moves  
11 Exhibit 5 into evidence.

12 (Government Exhibit 5 was  
13 offered in evidence.)

14 MR. HOWARD: Same objection, Your Honor.

15 MR. BINNALL: Same objection, Your Honor.

16 THE COURT: Overruled. 5 is received.

17 (Government Exhibit 5 was  
18 received in evidence.)

19 BY MR. KRAVIS:

20 Q. And as Government's Exhibit 5 comes up on the screen, this  
21 is another short e-mail exchange. I would ask you to start with  
22 the bottom e-mail from Benton, Jesse and read up to the top.

23 A. From Benton, Jesse to John Tate to Jedd Coburn. Subject:  
24 Thought. Sent October 28, 2011, at 10:54 a.m.

25 "If we worked out things with Kent fast enough we

1 could do a press conference tomorrow in Des Moines with Ron."

2 Q. And is there a response?

3 A. From johnt@ronpaul2012.com. Sent Friday, October 28, 2011,  
4 10:57 a.m. To Benton, Jesse and Jedd Coburn. Subject:  
5 Regarding thought.

6 "Ok. I will work on."

7 Q. And who is Jedd Coburn?

8 A. Jedd Coburn was a writer for the Ron Paul 2012 Campaign,  
9 Presidential Campaign.

10 Q. I want to show you another e-mail from that same day. This  
11 is Government's Exhibit 6. This has been marked but not  
12 admitted.

13 Do you recognize Government's Exhibit 6?

14 A. Yes.

15 Q. What is Government's Exhibit 6?

16 A. This is an e-mail exchange between John Tate and Dimitri  
17 Kesari.

18 Q. What is the date of the e-mail exchange?

19 A. October 28, 2011.

20 Q. Where did this document come from?

21 A. The Ron Paul Presidential Campaign.

22 MR. KRAVIS: At this time the government moves  
23 Exhibit 6 into evidence.

24 (Government Exhibit 6 was  
25 offered in evidence.)

1 MR. BINNALL: Same objection, as well as the  
2 authentication objection that was previously talked about.

3 MR. HOWARD: Your Honor, again, we'll object as  
4 Mr. Benton is not on this e-mail at all.

5 THE COURT: Overruled. 6 is received.

6 (Government Exhibit 6 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. This is another e-mail exchange. As it comes up on the  
10 screen, it's a short e-mail exchange. I'll ask you to start  
11 with the bottom e-mail, the October 28, 2011, 10:46 p.m. e-mail  
12 and read up for us.

13 A. On October 28, 2011, at 10:46 p.m., johnt@ronpaul2012.com  
14 wrote:

15 "Please stop immediately any effort to contact Kent  
16 and set up a meeting. No more tries. No more attempts. Will  
17 explain in more detail at a later time. Thanks."

18 Q. And is there a response?

19 A. From Dimitri Kesari. Sent Friday, October 28, 2011, 11:52  
20 p.m. To johnt@ronpaul2012.com. Subject: Regarding Kent.

21 "Ok."

22 Q. I want to turn your attention now to an e-mail that was  
23 marked but not yet admitted as Government Exhibit 11.

24 Do you recognize Government's Exhibit 11?

25 A. Yes.

1 Q. What is Government's Exhibit 11?

2 A. This is an e-mail exchange between Dimitri Kesari and John  
3 Tate.

4 Q. What's the date of the e-mail exchange?

5 A. October 31, 2011.

6 Q. And where did this document come from?

7 A. The Ron Paul Presidential Campaign.

8 MR. KRAVIS: At this time the government moves Exhibit  
9 11 into evidence.

10 (Government Exhibit 11 was  
11 offered in evidence.)

12 MS. SINFELT: Same objection with Mr. Benton, Your  
13 Honor.

14 MR. BINNALL: And objection as to the part that is not  
15 from Mr. Kesari for hearsay and objection to authentication.

16 THE COURT: Overruled. 11 is received.

17 (Government Exhibit 11 was  
18 received in evidence.)

19 BY MR. KRAVIS:

20 Q. This is another short e-mail exchange. Starting with the  
21 bottom e-mail, the October 31, 2011, 7:58 p.m. e-mail and  
22 reading up, would you read this one for us, please?

23 A. From Dimitri Kesari to John Tate. Subject: Kent. Sent  
24 October 31, 2011, 7:58 p.m.

25 "Kent texted me tonight apologizing for not meet for

1 dinner last week but wants to have me over next week when I come  
2 back to Des Moines. I said okay.

3 "No other conversation."

4 Q. Was there a response from johnt@ronpaul2012.com?

5 A. On October 31, 2011, at 8:05 p.m. johnt@ronpaul2012.com  
6 wrote:

7 "Okay. Don't firm up anything yet."

8 Q. And was there a response to that from Mr. Kesari?

9 A. From Dimitri Kesari. Sent Monday, October 31, 2011, 9:23  
10 p.m. To johnt@ronpaul2012.com. Subject: Regarding Kent.

11 "I won't."

12 Q. I want to turn your attention now to some e-mails from a few  
13 weeks later in the middle of November of 2011 starting with  
14 Government Exhibit 14 which has been marked but not admitted.

15 Do you recognize Government's Exhibit 14?

16 A. Yes.

17 Q. What is Government's Exhibit 14?

18 A. This is an e-mail exchange between John Tate, Jesse Benton,  
19 and Dimitri Kesari.

20 Q. What is the date of the e-mail exchange?

21 A. November 13, 2011.

22 Q. Where did this document come from?

23 A. The Ron Paul Presidential Campaign.

24 MR. KRAVIS: At this time the government moves Exhibit  
25 14 into evidence.

1 (Government Exhibit 14 was  
2 offered in evidence.)

3 MR. HOWARD: Same objection, Your Honor.

4 MR. BINNALL: Same objection.

5 THE COURT: Overruled. 14 is received.

6 (Government Exhibit 14 was  
7 received in evidence.)

8 BY MR. KRAVIS:

9 Q. This is, as it's coming up on a screen, another short e-mail  
10 exchange. Starting with the bottom e-mail, the November 13,  
11 2011, 8:57 p.m. e-mail, could you read this one up from bottom  
12 to top for us?

13 A. On November 13, 2011, at 8:57 p.m., Jesse Benton wrote:

14 "Since Michelle decided to take a cheap shot at Ron on  
15 Saturday night, I'm seriously considering dropping the Aaron  
16 Dorr shakedown e-mail to Politico on Tuesday.

17 "Thoughts?"

18 Q. And is there a response?

19 A. From John Tate. Sent Sunday, November 13, 2011, at 9:42  
20 p.m. To Jesse Benton, cc Dimitri Kesari. Subject: Regarding  
21 Sorenson.

22 "You should contact Aaron first and see if a decision  
23 is forthcoming from Kent. Ask how the leadership vote went.  
24 Seems to me we would still want to get a Sorenson endorsement."

25 Q. Now, turning your attention --

1 A. Sorry. It says, "John."

2 Q. Thank you.

3 Now turn your attention to another e-mail in this  
4 exchange. This is Government's Exhibit 16 which has been marked  
5 but not yet admitted.

6 Do you recognize Government's Exhibit 16?

7 A. Yes.

8 Q. What is Government's Exhibit 16?

9 A. This is an e-mail exchange between Jesse Benton, John Tate,  
10 and Dimitri Kesari.

11 Q. What is the date of the e-mail exchange?

12 A. November 13, 2011 and November 14, 2011.

13 Q. Where did this document come from?

14 A. The Ron Paul Presidential Campaign.

15 MR. KRAVIS: At this time the government moves Exhibit  
16 16 into evidence.

17 (Government Exhibit 16 was  
18 offered in evidence.)

19 MR. HOWARD: Same objection, Your Honor.

20 MR. BINNALL: Same authentication and hearsay  
21 objection, Your Honor.

22 THE COURT: Overruled. 16 is received.

23 (Government Exhibit 16 was  
24 received in evidence.)

25 BY MR. KRAVIS:

1 Q. Now, as Government's Exhibit 16 is coming up on the screen,  
2 I want to direct your attention to the bottom of Government's  
3 Exhibit 16. On the bottom of Government's Exhibit 16, do you  
4 see the same November 13, 2011, 8:57 p.m. e-mail we saw on the  
5 last exhibit, the one that begins, "Since Michelle decided to  
6 take a cheap shot at Ron"?

7 A. Yes.

8 Q. I'm going to ask you -- you don't have to read that one  
9 again. You already did it. Can you read up from there?

10 A. From Dimitri Kesari to Benton Jesse, cc John Tate. Subject:  
11 Regarding Sorenson. Sent November 13, 2011, 9:48 p.m.

12 "Before we do it let me try Kent and his wife one last  
13 time."

14 Q. And is there a response from John Tate?

15 A. On Sunday, November 13, 2011, at 8:51 p.m., John Tate wrote:

16 "No. Should be Jesse contacting Aaron. Not you  
17 contacting Kent."

18 Q. And is there a response from Mr. Benton?

19 A. From Jesse Benton. Sent Sunday November 13, 2011, 9:52 p.m.  
20 To tfc02@aol.com, cc Dimitri Kesari. Subject: Regarding  
21 Sorenson.

22 "Ok, I'll e-mail him again."

23 Q. And, finally, did Dimitri Kesari respond to that e-mail?

24 A. From Dimitri Kesari. Sent Monday, November 14, 2011, 1:14  
25 p.m. To Jesse Benton and tfc02@aol.com. Subject: Regarding

1 Sorenson.

2 "Any news?"

3 Q. Now I want to show you an e-mail exchange from the next day.  
4 This is Government's Exhibit 17 which has been marked but not  
5 admitted.

6 Do you recognize Government's Exhibit 17?

7 A. Yes.

8 Q. What is Government's Exhibit 17?

9 A. This is an e-mail exchange between Jesse Benton, Dimitri  
10 Kesari, and John Tate.

11 Q. And what is the date of this e-mail exchange?

12 A. November 15, 2011.

13 Q. And where did this document come from?

14 A. The Ron Paul Presidential Campaign.

15 MR. KRAVIS: At this time the government moves Exhibit  
16 17 into evidence.

17 (Government Exhibit 17 was  
18 offered in evidence.)

19 MR. HOWARD: Same objections, Your Honor.

20 MR. BINNALL: Same objections.

21 THE COURT: Overruled. 17 is received.

22 (Government Exhibit 17 was  
23 received in evidence.)

24 BY MR. KRAVIS:

25 Q. And as Government Exhibit 17 is coming up on the screen,

1 this is a one-page series of short e-mails. Beginning at the  
2 bottom, the November 15, 2011, 2:58 p.m. e-mail, can you start  
3 there and read up to the top?

4 A. On November 15, 2011, at 2:58 p.m., Dimitri Kesari wrote:

5 "Any word on Sorenson?"

6 Q. And did Mr. Benton respond?

7 A. From Jesse Benton. Sent Tuesday, November 15, 2011, 2:59  
8 p.m. To Dimitri Kesari. Subject: Regarding.

9 "No response."

10 Q. And what did Dimitri Kesari write back?

11 A. On November 15, 2011, at 3:05 p.m., Dimitri Kesari wrote:

12 "Am I free to meet him and his wife?"

13 Q. And did Mr. Benton respond to that question?

14 A. On November 15, 2011, at 3:11 p.m., Jesse Benton wrote:

15 "Yes."

16 Q. And did John Tate respond to Jesse Benton's e-mail?

17 A. On November 15, 2011, at 5:03 p.m., John Tate wrote:

18 "Dimitri. Make sure you talk to Jesse about how we  
19 want to do this and what you are supposed to say. We need to be  
20 very careful.

21 "John."

22 Q. And did Dimitri Kesari respond to John Tate's e-mail saying,  
23 we need to be very careful?

24 A. From Dimitri Kesari. Sent Tuesday, November 15, 2011, 5:17  
25 p.m. to John Tate, cc Jesse Benton.

1 "Okay."

2 Q. Now I want to show you another e-mail from the same day.  
3 This is Government's Exhibit 18, which has also been marked but  
4 not yet admitted.

5 Do you recognize Government's Exhibit 18?

6 A. Yes.

7 Q. What is Government's Exhibit 18?

8 A. This is an e-mail exchange between Dimitri Kesari and  
9 kent@kentsorenson.com.

10 Q. What is the date of the e-mail exchange?

11 A. November 15, 2011.

12 Q. The same day as the last e-mail exchange we were looking at?

13 A. Yes, that's correct.

14 Q. Where did this document come from?

15 A. This document came from Dimitri Kesari's computer.

16 MR. KRAVIS: At this time the government moves Exhibit  
17 18 into evidence.

18 (Government Exhibit 18 was  
19 offered in evidence.)

20 MR. HOWARD: Your Honor, again, the same  
21 authentication issue. This was pulled from Mr. Kesari's  
22 computer. Ms. LoStracco is not able to authenticate it to  
23 Mr. Benton.

24 MR. BINNALL: Same objection as before.

25 THE COURT: Overruled. 18 is received.

1 (Government Exhibit 18 was  
2 received in evidence.)

3 BY MR. KRAVIS:

4 Q. And as Government's Exhibit 18 is coming up on the monitor,  
5 I'm going to direct your attention to, there's just one e-mail  
6 at the top of the page, short e-mail. Can you read that one for  
7 us?

8 A. From Dimitri Kesari to kent@kentsorenson.com. Subject:  
9 Dinner?

10 Sent Tuesday, 15 November 2011, at 23:11.

11 "We doing dinner this week?

12 "Let me know what night and I will cook for the  
13 family.

14 "Dimitri."

15 Q. And who during this time period was using the e-mail address  
16 kent@kentsorenson.com?

17 A. Kent Sorenson.

18 Q. I now want to direct your attention to an e-mail exchange  
19 from the next day. This is Government's Exhibit 19. It's been  
20 marked but not admitted. This is a redacted version.

21 Do you recognize Government's Exhibit 19?

22 A. Yes.

23 Q. What is Government's Exhibit 19?

24 A. This is an e-mail exchange between Jesse Benton and Dimitri  
25 Kesari.

1 Q. What is the date of the e-mail exchange?

2 A. November 16, 2011.

3 Q. Where did this document come from?

4 A. This document came from Dimitri Kesari's computer.

5 MR. KRAVIS: At this time the government moves Exhibit  
6 19 into evidence as redacted.

7 (Government Exhibit 19 was  
8 offered in evidence.)

9 MR. BINNALL: One moment, Your Honor.

10 (Pause.)

11 MR. BINNALL: Same objection regarding authentication.

12 MR. HOWARD: Your Honor, again, we're going to object  
13 to the redaction. I'm not understanding the reason for it. You  
14 can see my copy here.

15 MR. KRAVIS: Relevance.

16 THE COURT: I've got it here.

17 MR. HOWARD: And our other objections.

18 THE COURT: It's coming in. Would you prefer it with  
19 or without the redaction?

20 MR. HOWARD: Without the redaction.

21 THE COURT: You, too?

22 MR. BINNALL: We have no problem with that, Your  
23 Honor.

24 THE COURT: So we'll let it in, 19 unredacted.

25

1 (Government Exhibit 19 was  
2 received in evidence.)

3 THE COURT: It strikes me, members of the jury, that  
4 you must be wondering is like every single exhibit they're  
5 objecting to, I'm overruling every exhibit. There's a procedure  
6 going on here that you don't know about. I'll tell you about it  
7 at the end; but they're under an obligation to object to each of  
8 these exhibits, and the procedure isn't done yet. And so I'll  
9 tell you about it when it's all over, but you shouldn't take  
10 anything from the fact that they object to every exhibit because  
11 they're obligated to do that under this procedure that we're  
12 using.

13 BY MR. KRAVIS:

14 Q. And so as Government's Exhibit 19 comes up on the screen,  
15 I'm going to ask you to direct your attention to the middle of  
16 the first page, the e-mail exchange, the e-mail that is sent  
17 from Jesse Benton on Wednesday, November 16, 2011, at 8:05 p.m.  
18 I'm going to ask you to start with that e-mail and then read up  
19 from there if you would.

20 A. From Jesse Benton. Sent Wednesday, November 16, 2011, 8:05  
21 p.m. to Dimitri Kesari.

22 "What up with Sorenson?"

23 From Dimitri Kesari to Jesse Benton. Sent Wednesday,  
24 16 November 2011, 20:08.

25 "We talked for a min today. He was with others and

1 could not talk.

2 "He is going to give me a call later tonight after a  
3 fellow senator's fundraiser.

4 "I will send you an e-mail after we talk."

5 Q. Turn your attention now to an e-mail from the next day.

6 This is Government's Exhibit 20 which has been marked but not  
7 yet admitted.

8 Do you recognize Government's Exhibit 20?

9 A. Yes.

10 Q. What is Government's Exhibit 20?

11 A. This is an e-mail exchange between Dimitri Kesari, Jesse  
12 Benton, and John Tate.

13 Q. What is the date of the e-mail exchange?

14 A. November 17, 2011.

15 MR. KRAVIS: At this time the government moves Exhibit  
16 20 into evidence.

17 (Government Exhibit 20 was  
18 offered in evidence.)

19 MR. BINNALL: The authentication objection from  
20 Mr. Kesari.

21 MR. HOWARD: Same objections.

22 THE COURT: I'm sorry, I missed it. Where did this  
23 exhibit come from?

24 THE WITNESS: The Ron Paul 2012 Presidential Campaign.

25 THE COURT: Overruled. 20 is received.

1 (Government Exhibit 20 was  
2 received in evidence.)

3 BY MR. KRAVIS:

4 Q. And as Government's Exhibit 20 is coming up on the screen, I  
5 believe it's just one e-mail at the top of the page, if you  
6 could read that e-mail for us.

7 A. From Dimitri Kesari. Sent Thursday, November 17, 2011,  
8 11:58 a.m. To Jesse Benton and John Tate. Subject: Kent  
9 Sorenson.

10 "I talked with Kent briefly last night. He was almost  
11 home when we connected.

12 "Looks like his time with Bachmann is ending by  
13 January since he is meeting with Chuck Launder, former Iowa GOP  
14 Ed and Steve King about raising money for his PAC.

15 "He is going to call me back today about going to  
16 dinner tonight or tomorrow night. It will either be tonight or  
17 tomorrow night with his family."

18 Q. I'm going to turn your attention now to an e-mail from a few  
19 days later.

20 And, Counsel, this is a shortened version of the  
21 e-mail that appears in the binders you received. This is  
22 Government's Exhibit 21.

23 Special Agent, do you recognize Government's Exhibit  
24 21?

25 A. Yes.

1 Q. What is Government's Exhibit 21?

2 A. This is an e-mail exchange between Dimitri Kesari, John  
3 Tate, and Jesse Benton.

4 Q. What is the date of the e-mail exchange?

5 A. November 21, 2011.

6 Q. Where did this document come from?

7 A. Jesse Benton.

8 MR. KRAVIS: At this time the government moves Exhibit  
9 21 into evidence.

10 (Government Exhibit 21 was  
11 offered in evidence.)

12 MR. BINNALL: Objection as to hearsay from what is  
13 coming from Mr. Tate and otherwise the authentication.

14 MR. HOWARD: Your Honor, our previous objections.

15 THE COURT: Overruled. 21 is received.

16 (Government Exhibit 21 was  
17 received in evidence.)

18 BY MR. KRAVIS:

19 Q. Okay. Special Agent, as Exhibit 21 is coming up on the  
20 screen, this is two e-mails. The first one at the bottom was  
21 sent on Monday, November 21, 2011, at 11:52 a.m. I'm going to  
22 ask you to start with that e-mail and then read up from there.

23 A. From Dimitri Kesari. Sent Monday, November 21, 2011, 11:52  
24 a.m. To johnt@ronpaul2012.com and Jesse Benton. Subject:  
25 Kent.

1           "I had dinner with Kent, his wife and his family last  
2 night. He does want to come over but wants to do it in a way  
3 that is the least mean to Bachmann. He also does not want to  
4 look disloyal but kept reiterating all of his friends are with  
5 Ron. Not just hacks but their close personal friends.

6           "The three of us had a long talk. I got back around  
7 11:30 last night.

8           "He is now looking for his future and not just for the  
9 next few months. Bachmann has offered to him to be her chief of  
10 staff. His wife does not want to move and Bachmann might not  
11 run again. King asked him to raise money for the PAC but he is  
12 not too excited about King. RTW asked him if he was interested  
13 in doing tour. I gave him some info about that.

14           "I will be talking with him later tonight or tomorrow  
15 about their conversation."

16 Q. Can you read John Tate's response?

17 A. From John Tate. Sent Monday, November 21, 2011, 12:01 p.m.  
18 To Dimitri Kesari and Jesse Benton. Subject: Regarding Kent.

19           "Seems to me, next step is to make him an offer  
20 (in person, not in writing) and give him a firm polite deadline.

21           "In my view we would want it to occur after Christmas,  
22 a few days before caucus.

23           "John."

24 Q. I'm going to skip ahead with you now to the beginning of  
25 December, 2011 and turn your attention to what's been marked

1 for identification but not yet admitted as Government's  
2 Exhibit 24.

3 Do you recognize Government's Exhibit 24?

4 A. Yes.

5 Q. What is Government's Exhibit 24?

6 A. This is an e-mail exchange between Jesse Benton and John  
7 Tate.

8 Q. What is the date of the e-mail exchange?

9 A. December 7, 2011.

10 Q. And where did this document come from?

11 A. The Ron Paul Presidential Campaign.

12 MR. KRAVIS: At this time the government moves Exhibit  
13 24 into evidence.

14 (Government Exhibit 24 was  
15 offered in evidence.)

16 MR. BINNALL: Your Honor, it's hearsay as to  
17 Mr. Kesari since he's not on either of these e-mails and the  
18 time frame is such that in no way would the 801(d) exception  
19 apply, and then also the authentication objection.

20 MR. HOWARD: Your Honor, I'll join in those  
21 objections.

22 THE COURT: Overruled. 24 is received.

23 (Government Exhibit 24 was  
24 received in evidence.)

25 BY MR. KRAVIS:

1 Q. And this is -- as it's coming up on the screen, this is  
2 again two short e-mails. I'm going to ask you to start with the  
3 e-mail from Jesse Benton, December 7, 2011, at 5:14 p.m. and  
4 read up from there.

5 A. From Jesse Benton. Sent Wednesday, December 7, 2011, 5:14  
6 p.m. To John Tate. Subject: Kent.

7 "What's up? Any chance he'll come over Friday?"

8 Q. And what was Mr. Tate's response?

9 A. From John Tate. Sent Wednesday, December 7, 2011, 5:46 p.m.  
10 To Jesse Benton. Subject: Regarding Kent.

11 "Dimitri left him two messages, will try again  
12 tonight. We should have an answer tonight or tomorrow morning I  
13 think.

14 "I tried to take from Dimitri but he really wanted to  
15 handle and will get Kent in touch with you or me if needed.

16 "John."

17 Q. I want to direct your attention now to another e-mail  
18 exchange from the same day. This is Government's Exhibit 25  
19 which has also been marked but not yet admitted.

20 Do you recognize Government's Exhibit 25?

21 A. Yes.

22 Q. What is Government's Exhibit 25?

23 A. This is an e-mail exchange between John Tate and Dimitri  
24 Kesari.

25 Q. What's the date of the e-mail exchange?

1 A. December 7, 2011.

2 Q. Where did this document come from?

3 A. The Ron Paul Presidential Campaign.

4 MR. KRAVIS: At this time the government moves to  
5 admit Exhibit 25 into evidence.

6 (Government Exhibit 25 was  
7 offered in evidence.)

8 MR. HOWARD: Your Honor, once again, Mr. Benton is not  
9 on this e-mail in any way, shape, or form and our objection is  
10 to hearsay and authentication.

11 MR. BINNALL: Hearsay and authentication, Your Honor.

12 THE COURT: Overruled. Exhibit 25 is received.

13 (Government Exhibit 25 was  
14 received in evidence.)

15 BY MR. KRAVIS:

16 Q. And as it's coming up on the screen, I'm going to ask you  
17 again to start at the bottom with the December 7, 2011, 5:36  
18 p.m. e-mail and read upward from there.

19 A. On December 7, 2011, at 5:36 p.m., John Tate wrote:

20 "When are you going to talk to Kent? Jesse is  
21 chomping at the bit. He actually wants to try and do Friday.

22 "John."

23 Q. And what was Mr. Kesari's response?

24 A. From Dimitri Kesari. Sent Wednesday, December 7, 2011, 5:42  
25 p.m. To John Tate. Subject: Regarding Kent.

1 "I left him 2 messages today. I will talk with him  
2 tonight."

3 Q. And what was Mr. Tate's response to Mr. Kesari?

4 A. From John Tate. Sent Wednesday, December 7, 2011, at 5:55  
5 p.m. To Dimitri Kesari. Subject: Regarding Kent.

6 "Thanks. Keep me posted."

7 Q. I want to turn your attention now to an e-mail two days  
8 later. This is Government's Exhibit 26, also marked but not  
9 admitted.

10 Do you recognize Government's Exhibit 26?

11 A. Yes.

12 Q. What is Government's Exhibit 26?

13 A. This is an e-mail between John Tate and Dimitri Kesari.

14 Q. What is the date of the e-mail exchange?

15 A. December 9, 2011.

16 Q. And where did this document come from?

17 A. The Ron Paul Presidential Campaign.

18 MR. KRAVIS: At this time the government moves Exhibit  
19 26 into evidence.

20 (Government Exhibit 26 was  
21 offered in evidence.)

22 MR. HOWARD: Same objection, Your Honor. Mr. Benton  
23 is not on this e-mail.

24 MR. BINNALL: Hearsay and authentication, Your Honor.

25 THE COURT: Overruled. 26 is received.

1 (Government Exhibit 26 was  
2 received in evidence:

3 BY MR. KRAVIS:

4 Q. And as 26 is coming up on the screen, this is just one short  
5 e-mail, but I'm going to ask you to read the one e-mail at the  
6 top of the page.

7 A. From John Tate. Sent Friday, December 7 (sic), 2011, 8:50  
8 a.m. To Dimitri Kesari. Subject: Kent.

9 "Did you talk to him again last night?

10 "What is status? Can we get him before the debate or  
11 not?

12 "Thanks.

13 "John."

14 Q. I'm sorry, can you read the date for me again, please?

15 A. Yes. Friday December 9, 2011.

16 Q. Thank you.

17 I'm going to turn your attention to an e-mail exchange  
18 from a few weeks earlier. This is Government's Exhibit 27.

19 And, Counsel, this is again a shortened version of the  
20 exhibit in the binder.

21 Special Agent, do you recognize Government's Exhibit  
22 27?

23 A. Yes.

24 Q. What is Government's Exhibit 27?

25 A. This is an e-mail exchange between Jedd Coburn, John Tate,

1 Dimitri Kesari, and Jesse Benton.

2 Q. What's the date of the e-mail exchange?

3 A. December 20, 2011.

4 Q. And where did this document come from?

5 A. Jesse Benton.

6 MR. KRAVIS: At this time the government moves Exhibit  
7 27 into evidence.

8 (Government Exhibit 27 was  
9 offered in evidence.)

10 MR. BINNALL: Your Honor, I'm a little confused  
11 because we have a different exhibit than what's up there that's  
12 marked as Government's Exhibit 27. Maybe if we can figure it  
13 out.

14 THE COURT: Why don't you compare notes there and see  
15 what you've got.

16 (Counsel conferring.)

17 THE COURT: Mine is just formatted different.

18 (Counsel conferring.)

19 MR. BINNALL: One minute, Your Honor, since we had a  
20 different version.

21 (Pause.)

22 MR. BINNALL: Your Honor, it appears we have multiple  
23 layers of hearsay, and I'm counting up to possibly three layers  
24 of hearsay in the cover right now, and just the cover e-mail  
25 itself is hearsay. This certainly wasn't produced as to

1 Mr. Kesari --

2 THE COURT: I'm going to reserve ruling on this one.  
3 We'll take this one up after the jury goes. We'll talk about it  
4 later.

5 MR. KRAVIS: Your Honor, we'll agree to redact the  
6 bottom e-mail, the one from Jedd Coburn if that's the objection.  
7 I think everything about that is admissible as an admission of a  
8 party opponent.

9 THE COURT: Who is the one from Tate sent to at 4:25?

10 MR. KRAVIS: I'm sorry?

11 THE COURT: Who's the e-mail that Tate sent at 4:25  
12 p.m., who is that to?

13 MR. KRAVIS: Well, I think all we have is the response  
14 which is from Mr. Benton. Like some of the other e-mails we've  
15 seen, the intermediate e-mails, the chain, some of them don't  
16 have the full header.

17 THE COURT: Okay. Hang on.

18 Yeah, that's the way to do it, all right. So if  
19 you'll redact the Jedd Coburn and the beginning and then 27 is  
20 received subject to the same objections that we heard earlier.

21 MR. BINNALL: Thank you.

22 (Government Exhibit 27 was  
23 received in evidence.)

24 MR. KRAVIS: Yes, that's it.

25 All right. Then the government moves the exhibit as

1 redacted into evidence.

2 THE COURT: I said I would receive that.

3 BY MR. KRAVIS:

4 Q. Special Agent, as the exhibit is coming up on the screen,  
5 these are two short e-mails. If you could begin with the  
6 December 20, 2011, 4:25 p.m. e-mail from John Tate and go up  
7 from there.

8 A. On December 20, 2011, at 4:25 p.m., John Tate wrote:

9 "Do we even want Kent's endorsement?"

10 Q. And did Jesse Benton even reply to that question?

11 A. From Jesse Benton. Sent Tuesday, December 20, 2011, 5:45  
12 p.m. To John Tate, cc to Dimitri Kesari. Subject" regarding  
13 Kent Sorenson.

14 "Yes, we still do."

15 Q. I'm going to turn your attention now to some e-mails from a  
16 few days later. We'll start with Government's Exhibit 28 which  
17 has been marked but not yet admitted.

18 Do you recognize Government's Exhibit 28?

19 A. Yes.

20 Q. What is Government's Exhibit 28?

21 A. This is an e-mail from Dimitri Kesari to  
22 kent@kentsorenson.com.

23 Q. What is the date of the e-mail?

24 A. December 23, 2011.

25 Q. And where did this document come from?

1 A. Dimitri Kesari's computer.

2 MR. KRAVIS: At this time the government moves Exhibit  
3 28 into evidence.

4 (Government Exhibit 28 was  
5 offered in evidence.)

6 MR. HOWARD: Your Honor, I mean, we object. We have  
7 no idea what connection it has to the conspiracy. It's hearsay.  
8 We understand what the government is trying to do, but this has  
9 no connection or no proof that it comes in under any clean  
10 theory.

11 MR. KRAVIS: I believe to the extent it's offered,  
12 it's an exhibit offered as statement of a party opponent as to  
13 Mr. Kesari. No objection that it not be considered against  
14 Mr. Benton.

15 MR. BINNALL: And we have a relevance objection to  
16 this.

17 THE COURT: Overruled. It will be admitted only as to  
18 defendant Kesari. 28 is received in evidence.

19 (Government Exhibit 28 was  
20 received in evidence.)

21 BY MR. KRAVIS:

22 Q. And as Government Exhibit 28 is coming up in front of you,  
23 you're going to see one e-mail at the top of the page. Can you  
24 read that one short e-mail for us?

25 A. From Dimitri Kesari to kent@kentsorenson.com. Subject: So

1 what did your wife say? Sent Friday, 23 December 2011, at 8:50.

2 "Can you send over the draft press release?"

3 Q. And who was using the e-mail address kent@kentsorenson.com  
4 at this time?

5 A. Kent Sorenson.

6 Q. I'm going to turn your attention now to an e-mail from the  
7 same day. This is Government's Exhibit 29. This is a redacted  
8 exhibit.

9 Do you recognize Government's Exhibit 29 as redacted?

10 A. Yes.

11 Q. What is Government's Exhibit 29?

12 A. This is an e-mail exchange between John Tate, Trygvie Olsen,  
13 Doug Stafford, mir@saberinc.net, and Jesse Benton.

14 Q. Who's the e-mail from?

15 A. Jesse Benton.

16 Q. What's the date on the e-mail?

17 A. December 23, 2011.

18 MR. KRAVIS: And I should have mentioned this e-mail  
19 has already been identified.

20 At this time the government moves Exhibit 29 into  
21 evidence.

22 (Government Exhibit 29 was  
23 offered in evidence.)

24 MR. BINNALL: Your Honor, we ask that it not be  
25 admitted as to Mr. Kesari. He's not on this and hearsay as to

1 him and the same authentication objection.

2 MR. KRAVIS: The government offers it as an admission  
3 of a party opponent as to Mr. Benton, relevance, state of mind  
4 and no objection to it just being offered as to him.

5 MR. HOWARD: Your Honor, if we could have just a  
6 minute.

7 (Pause.)

8 MR. HOWARD: Your Honor, same objection; hearsay and  
9 authentication.

10 THE COURT: Overruled. 29 is received.

11 (Government Exhibit 29 was  
12 received in evidence.)

13 MR. BINNALL: I'm sorry the government offered it only  
14 as to Mr. Benton. Can we get a little instruction on it?

15 THE COURT: Is that it?

16 MR. KRAVIS: Yes.

17 THE COURT: All right. So 29 is only admissible  
18 against Mr. Benton and not Mr. Kesari.

19 BY MR. KRAVIS:

20 Q. There is, Special Agent, just one e-mail at the top of the  
21 page. Can you read that e-mail for us?

22 A. Cc John Tate, Trygvie Olsen, Doug Stafford. To  
23 mir@saberinc.net from Jesse Benton. Sent Friday, December 23,  
24 2011, at 3:51 p.m. Subject: Regarding Virginia - could be  
25 important.

1 "Stick a fork in Michelle BTW. Sorenson is endorsing  
2 Ron on Monday. We have his statement already."

3 Q. Turning your attention now to an e-mail from a day earlier.  
4 I would ask you to take a look at Government's Exhibit 30 which  
5 has been marked but not yet admitted.

6 Do you recognize Government's Exhibit 30?

7 A. Yes.

8 Q. What is Government's Exhibit 30?

9 A. This is an e-mail from Dimitri Kesari to  
10 kent@kentsorenson.com.

11 Q. What is the date of the e-mail?

12 A. December 24, 2011.

13 Q. Where did this document come from?

14 A. Dimitri Kesari's computer.

15 MR. KRAVIS: At this time the government moves Exhibit  
16 30 into evidence.

17 (Government Exhibit 30 was  
18 offered in evidence.)

19 MR. HOWARD: Your Honor, relevance. Again, this is  
20 from Mr. Kesari's computer, and our authentication and hearsay  
21 objection.

22 MR. BINNALL: And authentication and relevance to  
23 Mr. Kesari.

24 THE COURT: Overruled. 30 is received. This will be  
25 our last one.

1 (Government Exhibit 30 was  
2 received in evidence.)

3 BY MR. KRAVIS:

4 Q. And as Government's Exhibit 30 is coming up on the screen,  
5 you'll see there's just one e-mail that appears at the top of  
6 the page. It's a short e-mail. Could I ask you to read it for  
7 us.

8 A. From Dimitri Kesari. To kent@kentsorenson.com. Subject:  
9 Merry Christmas. Sent Saturday, 24 December, 2011, at 22:43.

10 "And don't forget the press release."

11 THE COURT: That's it for the day.

12 MR. KRAVIS: Thank you.

13 THE COURT: That's enough. It's 4:45. Let's go home.  
14 Come back ready to go at 9:00 a.m.

15 Remember the cautions I've earlier given you. They're  
16 important. Do not listen to any radio broadcasts, view any  
17 television broadcasts or read any newspaper account that might  
18 be published about it. You know they're going to be published.  
19 Don't look at them. Have your friends save them, look at them  
20 after the trial. But I told you the importance about why we  
21 don't do this, and I trust that you'll follow the court's  
22 instructions in that regard because of the importance of it.

23 Have a wonderful evening. See you again tomorrow  
24 morning at 9:00 a.m.

25 (In open court, out of the presence of the jury.)

1 Terri, you don't need to take this down.

2 (Discussion off the record.)

3 THE COURT: Okay. Thanks.

4 See you tomorrow morning at 8:30 if anyone wants me.

5 Thank you.

6 MR. KRAVIS: Thank you, Your Honor.

7 (Recess at 4:46 p.m., until 8:30 a.m., Thursday,

8 October 15, 2015.)

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